

AGENDA  
CITY OF GRAPEVINE, TEXAS  
REGULAR CITY COUNCIL MEETING  
TUESDAY, JULY 7, 2015  
GRAPEVINE CITY HALL, SECOND FLOOR  
200 SOUTH MAIN STREET  
GRAPEVINE, TEXAS

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5:45 p.m.	Dinner - City Council Conference Room
6:15 p.m.	Call to Order - City Council Chambers
6:15 p.m.	Executive Session - City Council Conference Room
6:45 p.m.	Workshop – City Council Chambers
7:30 p.m.	Regular Meeting - City Council Chambers

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**CALL TO ORDER: 6:00 p.m.** - City Council Chambers

**EXECUTIVE SESSION:**

1. City Council to recess to the City Council Conference Room to conduct a closed session relative to:
  - A. Pending or contemplated litigation relative to Outfront Media (formerly CBS Billboard) v. Grapevine and Grapevine Board of Zoning Adjustment, Cause No. 141-254547-11 pursuant to Section 551.071, Texas Government Code.
  - B. Real property relative to deliberation or the exchange, lease, sale or value of City owned properties (portion of 185 acres owned by City) pursuant to Section 551.072, Texas Government Code.
  - C. Real property relative to deliberation or the exchange, lease, sale or value of City owned properties (Northwest Highway and State Highway 114) pursuant to Section 551.072, Texas Government Code.
  - D. Conference with City Manager and Staff to discuss and deliberate commercial and financial information received from business prospects the City seeks to have locate, stay, or expand in the City; deliberate the offer of a financial or other incentive; with which businesses the City is conducting economic development negotiations pursuant to Section 551.087, Texas Government Code.

City Council to reconvene in open session in the City Council Chambers and take any necessary action relative to items discussed in Executive Session.

**WORKSHOP: 6:45 p.m.** - City Council Chambers

2. Major Budget Issues

**REGULAR MEETING: 7:30 p.m. - City Council Chambers**

**INVOCATION:** Council Member Duff O'Dell

**PLEDGE OF ALLEGIANCE:** Boy Scout Troop 905

**CITIZEN COMMENTS**

3. Any person who is not scheduled on the agenda may address the City Council under Citizen Comments by completing a Citizen Appearance Request form with the City Secretary. In accordance with the Texas Open Meetings Act, the City Council is restricted in discussing or taking action during Citizen Comments.

**PRESENTATIONS**

4. Representative Giovanni Capriglione to present legislative update.
5. Mayor Tate to recognize Grapevine Colleyville Independent School District students who visited Sister City West Lothian, Scotland.
6. Grapevine Lake flooding update.
7. Parks and Recreation Department update.

**NEW BUSINESS**

8. Consider appointments to the various boards and commissions; Mayor to make chairman appointments to the Convention and Visitors Bureau Board, the Grapevine Heritage Foundation, Parks and Recreation Advisory Board and the Senior Citizens Advisory Board; Mayor to make City Council liaison and committee appointments and take any necessary action.
9. Consider an **ordinance** approving a negotiated settlement between the Atmos Cities Steering Committee and Atmos Energy and take any necessary action.
10. Consider an Engineering Design and Construction Phase Services Contract to DeltaTek Engineering for the design and inspection of structural repairs and the interior and exterior painting of the support column and tank of the Mustang Elevated Storage Tank, consider an **ordinance** appropriating \$104,032.50 for the contract award plus 10% contingency to the FY 2014-2015 Capital Improvements Plan and take any necessary action.

## CONSENT AGENDA

Consent items are deemed to need little Council deliberation and will be acted upon as one business item. Any member of the City Council or member of the audience may request that an item be withdrawn from the consent agenda and placed before the City Council for full discussion. Approval of the consent agenda authorizes the City Manager, or his designee, to implement each item in accordance with Staff recommendations.

11. Consider declaring certain items as surplus property and authorize for the sale of said items through public auction. Chief Financial Officer recommends approval.
12. Consider a one year First Alternate Municipal Court Judge contract with Brad Bradley and a one year Second Alternate Municipal Court Judge contract with Terry Leach. Chief Financial Officer recommends approval.
13. Consider a **resolution** adopting the Tarrant County Hazard Mitigation Action Plan as the City of Grapevine hazard mitigation plan. Fire Chief recommends approval.
14. Consider renewal of an annual contract with Kronos, Inc. for an annual contract for workforce management cloud hosting through a Cooperative Purchasing Agreement with U.S. Communities. Fire Chief recommends approval.
15. Consider a **resolution** authorizing the purchase of thirteen Getac tablet computers from PCS Mobile through a contract established by the State of Texas Department of Information Resources (DIR) Cooperative Contracts Program. Fire Chief recommends approval.
16. Consider the award of an informal request for quote for updated human resource database software to CS3 Technology. Human Resource Director recommends approval.
17. Consider a **resolution** authorizing the purchase of one 2016 F-550 service body truck and one 2016 F-550 dump bed truck from Chastang Ford through an Interlocal Agreement for Cooperative Purchasing with the Houston-Galveston Area Council (H-GAC). Public Works Director recommends approval.
18. Consider awarding the Construction Contract for the 2015 Water and Sanitary Sewer Improvement Project to Sabre Development Corporation, consider an **ordinance** appropriating \$1,838,562.60 for the contract award plus a 5% contingency to the FY 2014 – 2015 Capital Improvements Plan. Public Works Director recommends approval.

19. Consider the minutes of the June 16, 2015 Regular City Council meeting, June 23, 2015 Special City Council meeting and June 29, 2015 Special City Council meeting. City Secretary recommends approval.

Pursuant to the Texas Open Meetings Act, Texas Government Code, Chapter 551.001 et seq, one or more of the above items may be considered in Executive Session closed to the public. Any decision held on such matter will be taken or conducted in open session following conclusion of the executive session.

#### ADJOURNMENT

If you plan to attend this public meeting and you have a disability that requires special arrangements at the meeting, please contact the City Secretary's Office at 817.410.3182 at least 24 hours in advance of the meeting. Reasonable accommodations will be made to assist your needs.

In accordance with the Open Meetings Law, Texas Government Code, Chapter 551, I hereby certify that the above agenda was posted on the official bulletin boards at Grapevine City Hall, 200 South Main Street and on the City's website on July 2, 2015 by 5:00 p.m.

*Tara Brooks*


Tara Brooks, City Secretary





**MEMORANDUM****CITY OF GRAPEVINE, TEXAS**

TO: HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: GREG JORDAN, CHIEF FINANCIAL OFFICER 

DATE: JULY 2, 2015

SUBJECT: FISCAL YEAR 2016 MAJOR ISSUES REVIEW

At Tuesday's City Council meeting, I will present the FY16 Major Issues Report as part of the annual budget discussion. The upcoming budget is anticipated to maintain current service levels with few unplanned additions. Over the coming weeks, departments will present budget requests to the City Manager and the top priorities will be balanced against available revenues.

The basic assumptions for the upcoming budget are as follows:

- Maintain the fund balances as defined in the adopted fiscal policies. The General Fund requirement is 20%
- Fund the Permanent Capital and Permanent Street Maintenance Funds with cash
- Fund prior building/staffing obligations (i.e. The REC and Public Safety Building)
- TMRS contribution rate reduction to the minimum required contribution of 19.06%
- Maintain the Quality of Life Fund transfer at \$3,000,000
- Fund reasonable fleet, capital and technology purchases with cash except for large purchases as well as purchases made from enterprise funds
- Maintain a compensation structure that is in line with the surveyed competitive set of 18 cities surveyed and meets our goal of staying at the 50<sup>th</sup> percentile
- Funding for flood damage costs
- Establish a long-term sustainability plan for Golf and Lake Parks

After review of all the requests and departmental presentations, staff will prepare the City Manager's Proposed Budget for FY16, which will be delivered to Council on July 31 and will be presented at the Council Budget Workshop on August 19 and (if necessary) 20.

GJ/sgp



WS ITEM #2

# FY2016 Major Issues

presented by  
**Greg Jordan**



# Agenda

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- Guiding principles
- Revenue picture
- Major issues for consideration by category
  - Administrative
  - Public Safety
  - Golf and Lake Parks
  - Infrastructure
  - Technology
  - Capital



# Guiding Principles

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- Responsiveness/Service delivery
  - Address FY15 flood
  - Quality of life transfer of \$3M
- Competitiveness
  - Compensation, benefits
  - IT, Fleet
  - Facility maintenance & infrastructure



# Guiding Principles

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- Sustainability
  - Preservation of fund balance
  - Use of cash to fund capital
  - Maintain tax rate
  - ★ Innovation – savings, increase tax base through economic development
  - Protect Golf, Lake Parks from future financial stresses

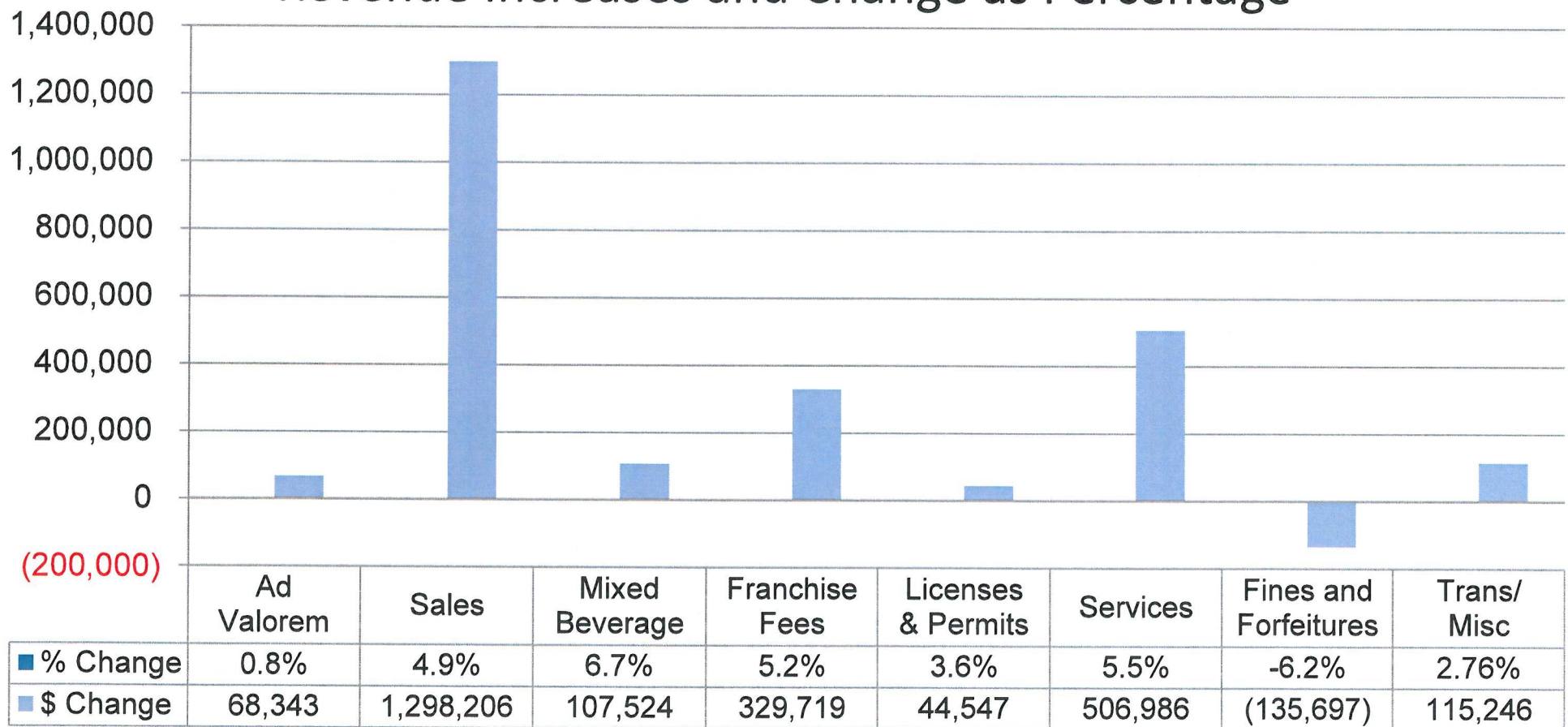


# General Fund Revenue Picture

## \$2.3 Million Increase, 3.89%



Revenue Increases and Change as Percentage



# Major Issues Administrative

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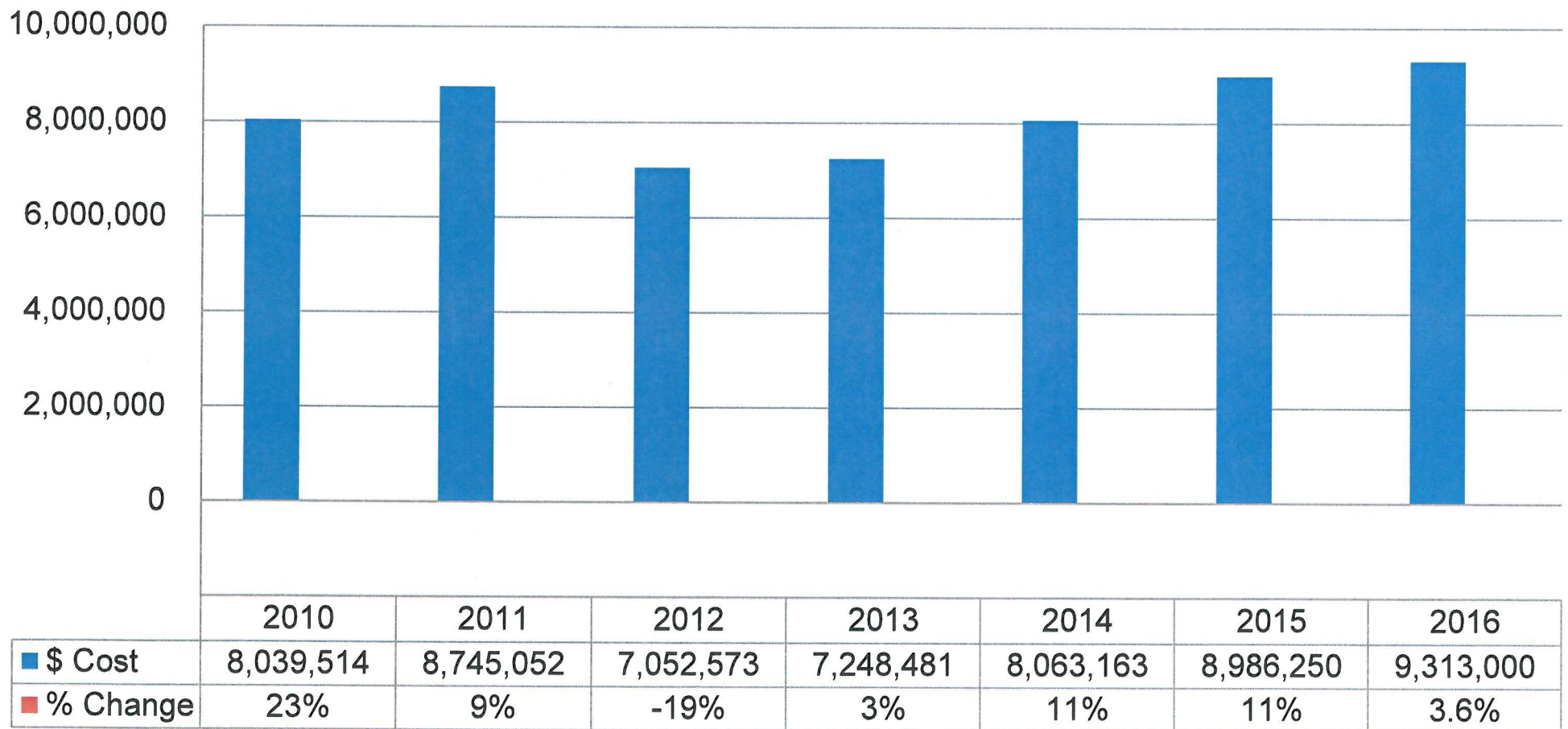


- Compensation
  - Maintain market competitiveness
- Health insurance      \$326,750
  - 3.6% increase
  - 8% national trend
  - ★ Achieved \$100k in savings by consolidating to single Broker-of-Record

# Major Issues Administrative



## Healthcare Costs and Change as Percentage





# Major Issues Administrative

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- Plan design changes
  - Behavior modification
    - Education
    - Wellness Program
    - Incentives
      - FY16 Physical examinations
      - FY17 Smoking cessation
  - In-Network vs. Out-of-Network

# Major Issues Administrative

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## ★ TMRS contribution

- 19.15% → 19.06%, decrease of 0.09%
- Reduction of \$32,215
- Amortization period 24.0 → 23.0
- Funded ratio 78% → 80%

# Major Issues Administrative

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- ★ Continuation of Alternate Retirement System(AARS)
  - Saved \$100k Citywide in FY15
  - For part-time employees in lieu of Social Security

# Major Issues Administrative

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- Courts – fees for consideration
  - ★ Security fee - \$3 per citation (new)
    - \$45,000 total impact
    - Without this, the General Fund will have to absorb Bailiff costs in FY17



# Major Issues

## Public Safety

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- Public Safety Building
  - Staffing request
    - Jailers, front desk/reception, etc.
- ★ Texas Ambulance Supplemental Payment Program
  - Fire Department initiative
  - Recovery for ambulance services
  - ≈\$350,000 in FY17

# Major Issues Parks



## ➤ The REC

- FY16 is first full-year of operations

	FY15	FY16	Net Change
Operations	\$807,331	\$1,416,735	\$609,404
Revenues	\$605,000	\$1,800,000	\$1,195,000

- REC memberships > 11,000
- Evaluating staffing needs to meet Aquatics demand

# Major Issues Flood Impacts

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- Total impacts remain unknown until water recedes
- Flood Insurance max is \$2 million, inclusive of \$1 million max on lost revenue
- Greatest impact to Golf, Lake Parks
- No cap on State/Federal reimbursement



# Major Issues Golf and Lake Parks

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- Flood has hurt Golf, Lake Parks
- Long term strategy to strengthen funds
- Insulate General Fund
- Through use of Debt Service Fund Balance Reserve
  - Overfunded
  - Eliminate burden on Golf, Lake Parks
  - AND maintain healthy reserve



# Major Issues

## Golf



- Golf - increase sustainability through
  - Establish operating fund balance
  - Eliminate annual debt transfer (\$435,150)
  - Create a capital funding strategy
    - ★ Consider rate increase, dedicate funding
    - Remain competitive
  - Eliminate vacant position
    - (\$54,522) Assistant Greens Superintendent

# Major Issues Lake Parks

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- Lake Parks - increase sustainability through
  - Establish operating fund balance
  - Eliminate annual debt transfer (\$145,942)
  - Create a capital funding strategy

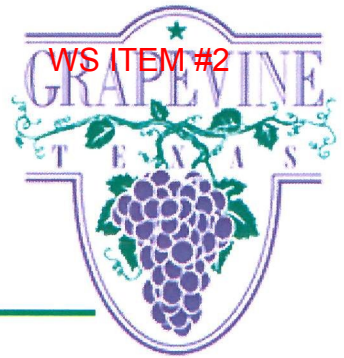
# Major Issues Infrastructure

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- Permanent Capital Maintenance Fund
  - Continuation of full funding - \$1,633,000
  - General Fund transfer for City facilities
- Permanent Street Maintenance Fund
  - Continuation of full funding - \$1,662,000
  - General Fund transfer for street maintenance





# General Fund Summary

<b>Additional Revenues</b>	<b>\$2,334,874</b>
REC Revenues	1,195,000
Savings from Broker Consolidation	100,000
TMRS Reduction	32,215
REC Full-Year Funding	(609,404)
Compensation	(1,255,485)
Insurance	(326,750)
Fleet	(638,000)
IT	(153,500)
Capital - other	(671,210)
<b>Total Impact</b>	<b>\$7,740</b>

- Certified appraisal is expected to add revenue
- No ISLs are included in base assumptions





# Next Steps

Date	Activity
July 25	Receive Certified Tax Roll from TAD
July 31	Operating Budget Submitted to City Council
August	City Council Budget Workshop
September 1	Public Hearing
September 8	4B Board FY16 Budget Adoption
September 8	Crime Control & Prevention District Board FY16 Budget Adoption
September 8	City Council Adoption of FY16 Operating Budget and Tax Rate
October 1	Fiscal Year 2015-16 Begins



WS ITEM #2

# FY2016 Major Issues

presented by  
Greg Jordan

MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: BRUNO RUMBELOW, CITY MANAGER 

MEETING DATE: JULY 7, 2014

SUBJECT: BOARDS AND COMMISSIONS APPOINTMENTS

RECOMMENDATION:

City Council to consider appointment of members to the City's boards and commissions; Mayor Tate to make Chairman appointments to the Convention and Visitors Bureau Advisory Board, the Grapevine Heritage Foundation, Parks and Recreation Advisory Board and the Senior Citizens Advisory Board; and Mayor's appointment of City Council liaisons to the boards and City Council committees.

BACKGROUND:


Each year, the City Council reviews and considers appointments to the various boards and commissions. Applications and the 2014-15 attendance records were compiled and distributed to the City Council and Staff on June 5, 2015. New applicants were interviewed by the full Council on June 29, 2015.

According to the respective ordinance or resolution, the Mayor appoints the Chairman to the following boards:

- Convention and Visitors Bureau Advisory Board pursuant to the Grapevine Code of Ordinances, Chapter 21, Section 21-28
- Grapevine Heritage Foundation pursuant to Resolution No. 90-17
- Parks and Recreation Advisory Board pursuant to the Grapevine Code of Ordinances, Chapter 16 Parks & Recreation, Section 16-3
- Senior Citizens Advisory Board pursuant to Resolution No. 2000-39

Board and commission nominees will be presented by the City Secretary for Council consideration at Tuesday's meeting, in addition to Mayor Tate's Council liaison and committee appointments.

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MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL  
FROM: BRUNO RUMBELOW, CITY MANAGER   
MEETING DATE: JULY 7, 2015  
SUBJECT: ATMOS RATE SETTLEMENT AGREEMENT

RECOMMENDATION:

City Council to consider approval of an ordinance accepting the recommended Settlement Agreement requested by Atmos Mid-Tex supporting its 2015 request to increase rates.

BACKGROUND

- In February 2014, Atmos Mid-Tex filed a Rate Review Mechanism "RRM" Tariff, seeking an increase of \$45.7 million.
- Atmos Cities Steering Committee (ACSC) could not come to a settlement with Atmos. City adopted a resolution denying the requested rate increase on May 20, 2014.
- The Company appealed the City's denial to the Railroad Commission of Texas (RRC) and reduced its requested increase to \$43.8 million because the RRC issued a Proposal for Decision (PFD) at that rate.
- February 27, 2015, Atmos Mid-Tex filed with the City another rate increase request under the RRM Tariff, seeking additional revenues in the amount of \$28.76 million (total system).

The City worked with ACSC to analyze the schedules and evidence offered by Atmos Mid-Tex to support its 2015 request to increase rates. The ordinance and attached Settlement Agreement and tariffs are the result of negotiation between the ACSC and the Company to resolve issues raised by ACSC during the review and evaluation of Atmos Mid-Tex's filing. The recommended Settlement Agreement also requires Atmos to **abate its appeal of the City's rejection of the 2014 RRM.**

The ordinance and settlement tariffs approve rates that:

- Increase the Company's revenues by \$65.7 million for the Mid-Tex Rate Division, effective for bills rendered on or after June 1, 2015.
- The monthly residential customer charge will be \$18.60. The consumption charge will change from \$0.08819 per Ccf to \$0.09931 per Ccf.



- The monthly bill impact for the typical residential customer consuming 60 Ccf will be an increase of \$1.14 (about a 1.59% increase in the base bill). The typical commercial customer will see an increase of \$2.69 or 0.96%.

**Reasons for approving the Settlement include:**

While the 2015 RRM system-wide filing exceeded \$28 million, a comparable GRIP filing would have been in excess of \$38 million. ACSC has negotiated a reduction to the 2015 filing of approximately \$6 million. Therefore, the 2015 RRM result is approximately \$16 million better for ratepayers within municipal limits.

ACSC counsel is convinced that the Proposal for Decision ("PFD") by Railroad Commission Examiners in the 2014 RRM appeal will not improve if we file Exceptions and Replies to Exceptions. Counsel recommends action to avoid the PFD becoming a final order that would serve as precedent in future rate proceedings.

The token benefit to ratepayers authorized in the PFD to the 2014 appeal has been incorporated into the Settlement Agreement.

Atmos will file its formal withdrawal of its 2014 appeal only after all ACSC members approve the Settlement Agreement.

The alternative to approval of the Settlement Agreement would be another contested case hearing on appeal of the 2015 filing, implementation of interim rates on June 1, 2015 at the full value of the Company's request (or \$6 million higher than proposed by the Settlement) and continuation of the 2014 appeal with resulting rate case expenses borne by ratepayers.

The City Council Utility Committee has been briefed on the terms of the settlement and recommends approval.

JH/sgp

ORDINANCE NO. \_\_\_\_\_

ATMOS

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS, APPROVING A NEGOTIATED SETTLEMENT AGREEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC") AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S 2014 AND 2015 RATE REVIEW MECHANISM FILINGS; APPROVING A SETTLEMENT AGREEMENT WITH ATTACHED RATE TARIFFS AND PROOF OF REVENUES; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; REQUIRING THE COMPANY TO REIMBURSE ACSC'S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE ACSC'S LEGAL COUNSEL

WHEREAS, the City of Grapevine, Texas ("City") is a gas utility customer of Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "Company"), and a regulatory authority with an interest in the rates and charges of Atmos; and

WHEREAS, the City is a member of the Atmos Cities Steering Committee ("ACSC"), a coalition of similarly-situated cities served by Atmos Mid-Tex ("ACSC Cities") that have joined together to facilitate the review of and response to natural gas issues affecting rates charged in the Atmos Mid-Tex service area; and

WHEREAS, ACSC and the Company worked collaboratively to develop a new Rate Review Mechanism ("RRM") tariff that allows for an expedited rate review process by ACSC Cities as a substitute to the Gas Reliability Infrastructure Program ("GRIP") process instituted by the Legislature, and that will establish rates for the ACSC Cities based on the system-wide cost of serving the Atmos Mid-Tex Division; and

WHEREAS, the initial RRM Tariff was in effect for four (4) years; and

WHEREAS, ACSC Cities and Atmos Mid-Tex entered into another settlement agreement and revised the RRM Tariff; and

WHEREAS, ACSC Cities and Atmos Mid-Tex compromised and reached agreements on the amount of the rate increases to be in effect for the RRM Tariff filings for 2012 and 2013; and

WHEREAS, ACSC Cities and Atmos Mid-Tex were unable to reach an agreement on the 2014 RRM Tariff filing, resulting in the ACSC Cities' rejection of the 2014 RRM filing; and

WHEREAS, Atmos Mid-Tex appealed the ACSC Cities' actions rejecting its 2014 RRM filing to the Railroad Commission of Texas ("Commission"), pursuant to the provisions of the RRM Tariff; and

WHEREAS, Atmos Mid-Tex and ACSC litigated the appeal of the 2014 RRM filing at the Commission; and

WHEREAS, on February 27, 2015, Atmos Mid-Tex filed its 2015 RRM Tariff filing, requesting to increase natural gas base rates system-wide by \$28.762 million; and

WHEREAS, ACSC coordinated its review of Atmos Mid-Tex RRM filing through its Executive Committee, assisted by ACSC's attorneys and consultants, to resolve issues identified in the Company's RRM filing; and

WHEREAS, Atmos Mid-Tex has agreed to withdraw its appeal of ACSC's rejection of its 2014 RRM Tariff rate increase; and

WHEREAS, the Executive Committee, as well as ACSC's counsel and consultants, recommend that ACSC Cities approve the attached Settlement Agreement (Attachment "A" to this ordinance) as well as the tariffs attached thereto, resolving both the 2014 and the 2015 RRM Tariff filings, which together will increase the Company's revenues by \$65.7 million over the amount allowed under City-approved rates set in 2013; and

WHEREAS, the attached tariffs implementing new rates are consistent with the negotiated Settlement Agreement and are just, reasonable, and in the public interest; and

WHEREAS, the RRM Tariff should be renewed for a period of time commencing in 2016 and continuing until the RRM Tariff is suspended by ordinance of the City; and

WHEREAS, the RRM Tariff contemplates reimbursement of ACSC's reasonable expenses associated with RRM applications;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS:

Section 1. That the findings set forth in this ordinance are hereby in all things approved.

Section 2. That the City Council finds that the Settlement Agreement (Attachment "A" to this ordinance) represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos Mid-Tex within the municipal limits arising from Atmos Mid-Tex's 2014 and 2015 RRM filings, is in the public interest, and is consistent with the City's authority under Section 103.001 of the Texas Utilities Code.

Section 3. That the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Attachment "C", are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$65.7 million in revenue over the amount allowed under currently approved rates, or \$21 million over currently-billed rates, as shown in the Proof of Revenues attached hereto and incorporated herein as Attachment "B"; such tariffs are hereby adopted.

Section 4. That the ratemaking treatment for pensions and other post-employment benefits in Atmos' next RRM filing shall be as set forth on Attachment "D", attached hereto and incorporated herein.

Section 5. That in an effort to streamline the regulatory review process, the Atmos Mid-Tex RRM Tariff is renewed for a period commencing with the Company's March 1, 2016 RRM filing for calendar year 2015, effective June 1, 2016, and continuing thereafter until such time as the City adopts an ordinance suspending operation of the RRM Tariff.

Section 6. That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company's RRM application.

Section 7. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this ordinance, it is hereby repealed.

Section 8. That the meeting at which this ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 9. That if any one or more sections or clauses of this ordinance is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this ordinance and the remaining provisions of the ordinance shall be interpreted as if the offending section or clause never existed.

Section 10. That consistent with the City ordinance that established the RRM process, this ordinance shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after June 1, 2015.

Section 11. That a copy of this ordinance shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs Mid-Tex Division, Atmos Energy Corporation, 5420 LJB Freeway, Suite 1862, Dallas, Texas 75240, and to Geoffrey Gay, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS on this the 7th day of July, 2015.

APPROVED:

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ATTEST:

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APPROVED AS TO FORM:

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**SETTLEMENT AGREEMENT BETWEEN ATMOS ENERGY CORP., MID-TEX  
DIVISION AND ATMOS CITIES STEERING COMMITTEE**

WHEREAS, this agreement ("Settlement Agreement") is entered into by Atmos Energy Corp's Mid-Tex Division and Atmos Cities Steering Committee ("ACSC") whose members include the Cities of Abilene, Addison, Allen, Alvarado, Angus, Anna, Argyle, Arlington, Aubrey, Bedford, Bellmead, Benbrook, Beverly Hills, Blossom, Blue Ridge, Bowie, Boyd, Bridgeport, Brownwood, Buffalo, Burkburnett, Burleson, Caddo Mills, Canton, Carrollton, Cedar Hill, Celeste, Celina, Centerville, Cisco, Clarksville, Cleburne, Clyde, College Station, Colleyville, Colorado City, Comanche, Commerce, Coolidge, Coppel, Copperas Cove, Corinth, Corral City, Crandall, Crowley, Dalworthington Gardens, Denison, DeSoto, Duncanville, Eastland, Edgecliff Village, Emory, Ennis, Euless, Everman, Fairview, Farmers Branch, Farmersville, Fate, Flower Mound, Forest Hill, Fort Worth, Frisco, Frost, Gainesville, Garland, Garrett, Grand Prairie, Grapevine, Gunter, Haltom City, Harker Heights, Haskell, Haslet, Hewitt, Highland Park, Highland Village, Honey Grove, Hurst, Hutto, Iowa Park, Irving, Justin, Kaufman, Keene, Keller, Kemp, Kennedale, Kerens, Kerrville, Killeen, Krum, Lake Worth, Lakeside, Lancaster, Lewisville, Lincoln Park, Little Elm, Lorena, Madisonville, Malakoff, Mansfield, McKinney, Melissa, Mesquite, Midlothian, Murphy, Newark, Nocona, North Richland Hills, Northlake, Oakleaf, Ovilla, Palestine, Pantego, Paris, Parker, Pecan Hill, Petrolia, Plano, Ponder, Pottsboro, Prosper, Quitman, Red Oak, Reno (Parker County), Richardson, Richland, Richland Hills, Roanoke, Robinson, Rockwall, Roscoe, Rowlett, Royse City, Sachse, Saginaw, Sansom Park, Seagoville, Sherman, Snyder, Southlake, Springtown, Stamford, Stephenville, Sulphur Springs, Sweetwater, Temple, Terrell, The Colony, Trophy Club, Tyler, University Park, Venus, Vernon, Waco, Watauga, Waxahachie, Westlake, White Settlement, Whitesboro, Wichita Falls, Woodway, and Wylie.

WHEREAS, on February 28, 2014, Atmos filed with the ACSC Cities an application, hereinafter referred to as the 2014 RRM filing, to adjust rates pursuant to Rider RRM - Rate Review Mechanism, which were subsequently consolidated into GUD No. 10359 at the Railroad Commission of Texas; and

WHEREAS, on February 27, 2015, Atmos filed with the ACSC Cities an application, hereinafter referred to as the 2015 RRM filing, to adjust rates pursuant to Rider RRM - Rate Review Mechanism; and

WHEREAS, the Settlement Agreement resolves all issues between Atmos and ACSC ("the Signatories") regarding the 2014 RRM filing, which is currently pending before the Commission, and the 2015 RRM filing, which is currently pending before the ACSC Cities, in a manner that the Signatories believe is consistent with the public interest, and the Signatories represent diverse interests; and

WHEREAS, the Signatories believe that the resolution of the issues raised in the 2014 RRM filing and the 2015 RRM filing can best be accomplished by each ACSC City approving this Settlement Agreement and the rates, terms and conditions reflected in the tariffs attached to this Settlement Agreement as Exhibit A;

NOW, THEREFORE, in consideration of the mutual agreements and covenants established herein, the Signatories, through their undersigned representatives, agree to the



following Settlement Terms as a means of fully resolving all issues between Atmos and the ACSC Cities involving the 2014 RRM filing and 2015 RRM filing:

Settlement Terms

1. Upon the execution of this Settlement Agreement, the ACSC Cities will approve an ordinance or resolution to approve the Settlement Agreement and implement the rates, terms and conditions reflected in the tariffs attached to the Settlement Agreement as Exhibit A. (Attachment A to the Ordinance ratifying the Agreement). Said tariffs should allow Atmos to recover annually an additional \$65.7 million in revenue over the amount allowed under currently approved rates by implementation of rates shown in the proof of revenues attached as Exhibit B. (Attachment B to the Ordinance ratifying this Agreement). The uniform implementation of gas rates, terms and conditions established by the Settlement Agreement shall be effective for bills rendered on or after June 1, 2015. Consistent with the City's authority under Section 103.001 of the Texas Utilities Code, the Settlement Agreement represents a comprehensive settlement of gas utility rate issues affecting the rates, operations and services offered by Atmos within the municipal limits of the ACSC Cities arising from Atmos' 2014 RRM filing and 2015 RRM filing. No refunds of charges billed to customers by Atmos under the RRM in past periods shall be owed or owing.
2. In an effort to streamline the regulatory review process, Atmos and the ACSC Cities have agreed to renew the Rate Review Mechanism ("Rider RRM") for a period commencing with the Company's March 1, 2016 filing under this mechanism for the calendar year 2015, effective June 1, 2016, and continuing thereafter until such time as either the ACSC Cities issue an ordinance stating a desire to discontinue the operation of the tariff or Atmos files a Statement of Intent. Atmos and the ACSC Cities further agree that the RRM tariff shall remain in effect until such time as new, final rates are established for Atmos. Upon approval of this Settlement Agreement by the ACSC Cities, Atmos shall file an updated RRM Tariff with each city reflecting the provisions of this agreement.
3. Atmos and the ACSC Cities agree that rate base as of December 31, 2014 in the amount of \$1,955,948,256 is just and reasonable and shall be recovered in rates.
4. Atmos and the ACSC Cities agree that a pension and other postemployment benefits balance as of December 31, 2014 in the amount of \$18,284,949 is just and reasonable and shall be used as the beginning balance for purposes of determining pension and other postemployment benefits to be recovered in the next RRM filing (Attachment D to the Ordinance ratifying the Agreement).
5. With regard to the treatment of Atmos' Rule 8.209 regulatory asset under the RRM, Atmos and the ACSC Cities agree to the following with respect to any pending and future RRM filings:
  - a. the capital investment in the Rule 8.209 regulatory asset in the 2014 RRM filing and 2015 RRM filing is reasonable and consistent with the requirements of Rule 8.209;

- b. the classification of projects included in the Rule 8.209 regulatory asset in the 2014 RRM filing and 2015 RRM filing is reasonable and consistent with the requirements of Rule 8.209 and shall serve as a basis for classification of projects in future RRM filings;
  - c. the treatment of blanket replacement projects, system upgrades, relocations, and transmission line replacements in the Rule 8.209 regulatory asset in the 2014 RRM filing and 2015 RRM filing is reasonable and consistent with the requirements of Rule 8.209 and shall be included in future RRM filings.
  - d. the incurred expenses included in the Rule 8.209 regulatory asset in the 2014 RRM and the 2015 RRM are reasonable and consistent with the requirements of Rule 8.209 and shall be included in future RRM filings;
  - e. interest on the Rule 8.209 regulatory asset account shall be calculated using the pre-tax cost of capital most recently approved by the Commission. The use of the pre-tax cost of capital is consistent with Rule 8.209. A return on Rule 8.209 capital investment is only earned once the investment is included in rate base. No change in the Company's calculation of the interest component in its Rule 8.209 regulatory asset accounts is warranted through the period ended May 31, 2015. Beginning June 1, 2015, interest expense shall be calculated monthly using simple interest (*i.e.* 11.49% divided by 12, or approximately 0.96% per month) applied to the total value of the Rule 8.209 asset investment (exclusive of interest) until such time the Rule 8.209 regulatory asset is approved for inclusion in the Company's rate base.
  - f. While Atmos and the ACSC Cities agree to apply the treatments and methodologies set forth in this paragraph, subsections (a) – (e) in all future RRM filings, the regulatory authority retains its right to disallow any capital investment that is not shown to be prudently incurred, and any expense not shown to be reasonable and necessary, in future RRM filings.
  - g. Atmos and the ACSC Cities acknowledge that their agreement regarding the treatment and methodologies applicable to Rule 8.209 capital investments under the RRM tariff shall not prejudice the right of either party to argue for different treatments or methodologies in a future statement of intent proceeding.
6. Revenues approved pursuant to Paragraph 1 of the Settlement Agreement include reimbursement of rate case expenses owed to the ACSC Cities in connection with the 2014 RRM filing.
7. The Signatories agree that each ACSC city shall approve this Settlement Agreement and adopt an ordinance or resolution to implement for the ACSC Cities the rates, terms, and conditions reflected in the tariffs attached to the Settlement Agreement as Exhibit A. Atmos and ACSC further agree that at such time as all of the ACSC Cities have passed an ordinance or resolution consistent with the Settlement and Atmos has received such ordinance or resolution, Atmos shall withdraw its appeal of the currently pending RRM filing before the Railroad Commission of Texas in connection with the 2014 RRM filing.



8. Atmos and the ACSC Cities further agree that the express terms of the Rider RRM are supplemental to the filing, notice, regulatory review, or appellate procedural process of the ratemaking provisions of Chapter 104 of the Texas Utilities Code. If the statute requires a mandatory action on behalf of the municipal regulatory authority or Atmos, the parties will follow the provisions of such statute. If the statute allows discretion on behalf of the municipal regulatory authority, the ACSC Cities agree that they shall exercise such discretion in such a way as to implement the provisions of the RRM tariff. If Atmos appeals an action or inaction of an ACSC City regarding an RRM filing to the Railroad Commission, the ACSC Cities agree that they will not oppose the implementation of interim rates or advocate the imposition of a bond by Atmos consistent with the RRM tariff. Atmos agrees that it will make no filings on behalf of its Mid-Tex Division under the provisions of Section 104.301 of the Texas Utilities code while the Rider RRM is in place. In the event that a regulatory authority fails to act or enters an adverse decision regarding the proposed annual RRM adjustment, the Railroad Commission of Texas shall have exclusive appellate jurisdiction, pursuant to the provisions of the Texas Utilities Code, to review the action or inaction of the regulatory authority exercising exclusive original jurisdiction over the RRM request. In addition, the Signatories agree that this Settlement Agreement shall not be construed as a waiver of the ACSC Cities' right to initiate a show cause proceeding or the Company's right to file a Statement of Intent under the provisions of the Texas Utilities Code.
9. The Signatories agree that the terms of the Settlement Agreement are interdependent and indivisible, and that if any ACSC city enters an order that is inconsistent with this Settlement Agreement, then any Signatory may withdraw without being deemed to have waived any procedural right or to have taken any substantive position on any fact or issue by virtue of that Signatory's entry into the Settlement Agreement or its subsequent withdrawal. If any ACSC city rejects this Settlement Agreement, then this Settlement Agreement shall be void *ab initio* and counsel for the ACSC Cities shall thereafter only take such actions as are in accordance with the Texas Disciplinary Rules of Professional Conduct.
10. The Signatories agree that all negotiations, discussions and conferences related to the Settlement Agreement are privileged, inadmissible, and not relevant to prove any issues associated with Atmos' 2014 RRM filing and 2015 RRM filing.
11. The Signatories agree that neither this Settlement Agreement nor any oral or written statements made during the course of settlement negotiations may be used for any purpose other than as necessary to support the entry by the ACSC Cities of an ordinance or resolution implementing this Settlement Agreement.
12. The Signatories agree that this Settlement Agreement is binding on each Signatory only for the purpose of settling the issues set forth herein and for no other purposes, and, except to the extent the Settlement Agreement governs a Signatory's rights and obligations for future periods, this Settlement Agreement shall not be binding or precedential upon a Signatory outside this proceeding.

13. The Signatories agree that this Settlement Agreement may be executed in multiple counterparts and may be filed with facsimile signatures.

Agreed to this 7 day of May, 2015.

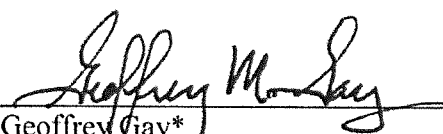
ATMOS ENERGY CORP., MID-TEX DIVISION

By: John A. Paris  
John A. Paris  
President, Mid-Tex Division

Agreed to this 7th day of May 2015.

ATTORNEY FOR ATMOS CITIES STEERING COMMITTEE, WHOSE MEMBERS INCLUDE THE CITIES OF ABILENE, ADDISON, ALLEN, ALVARADO, ANGUS, ANNA, ARGYLE, ARLINGTON, AUBREY, BEDFORD, BELLMEAD, BENBROOK, BEVERLY HILLS, BLOSSOM, BLUE RIDGE, BOWIE, BOYD, BRIDGEPORT, BROWNWOOD, BUFFALO, BURKBURNETT, BURLESON, CADDO MILLS, CANTON, CARROLLTON, CEDAR HILL, CELESTE, CELINA, CENTERVILLE, CISCO, CLARKSVILLE, CLEBURNE, CLYDE, COLLEGE STATION, COLLEYVILLE, COLORADO CITY, COMANCHE, COMMERCE, COOLIDGE, COPPELL, COPPERAS COVE, CORINTH, CORRAL CITY, CRANDALL, CROWLEY, DALWORTHINGTON GARDENS, DENISON, DESOTO, DUNCANVILLE, EASTLAND, EDGECLIFF VILLAGE, EMORY, ENNIS, EULESS, EVERMAN, FAIRVIEW, FARMERS BRANCH, FARMERSVILLE, FATE, FLOWER MOUND, FOREST HILL, FORT WORTH, FRISCO, FROST, GAINESVILLE, GARLAND, GARRETT, GRAND PRAIRIE, GRAPEVINE, GUNTER, HALTOM CITY, HARKER HEIGHTS, HASKELL, HASLET, HEWITT, HIGHLAND PARK, HIGHLAND VILLAGE, HONEY GROVE, HURST, HUTTO, IOWA PARK, IRVING, JUSTIN, KAUFMAN, KEENE, KELLER, KEMP, KENNEDALE, KERENS, KERRVILLE, KILLEEN, KRUM, LAKE WORTH, LAKESIDE, LANCASTER, LEWISVILLE, LINCOLN PARK, LITTLE ELM, LORENA, MADISONVILLE, MALAKOFF, MANSFIELD, MCKINNEY, MELISSA, MESQUITE, MIDLOTHIAN, MURPHY, NEWARK, NOCONA, NORTH RICHLAND HILLS, NORTHLAKE, OAKLEAF, OVILLA, PALESTINE, PANTEGO, PARIS, PARKER, PECAN HILL, PETROLIA, PLANO, PONDER, POTTSBORO, PROSPER, QUITMAN, RED OAK, RENO (PARKER COUNTY), RICHARDSON, RICHLAND, RICHLAND HILLS, ROANOKE, ROBINSON, ROCKWALL, ROSCOE, ROWLETT, ROYSE CITY, SACHSE, SAGINAW, SANSOM PARK, SEAGOVILLE, SHERMAN, SNYDER, SOUTHLAKE, SPRINGTOWN, STAMFORD, STEPHENVILLE, SULPHUR SPRINGS, SWEETWATER, TEMPLE, TERRELL, THE COLONY, TROPHY CLUB, TYLER, UNIVERSITY PARK, VENUS, VERNON, WACO, WATAUGA, WAXAHACHIE, WESTLAKE, WHITE SETTLEMENT, WHITESBORO, WICHITA FALLS, WOODWAY, AND WYLIE.

By:

  
Geoffrey Gay\*

\* Subject to approval by ACSC City Councils



**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

<b>RATE SCHEDULE:</b>	<b>C – COMMERCIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**Application**

Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 30,000 Ccf.

**Type of Service**

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

**Monthly Rate**

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

<b>Charge</b>	<b>Amount</b>
Customer Charge per Bill	\$ 40.00 per month
Rider CEE Surcharge	\$ 0.00 per month <sup>1</sup>
<b>Total Customer Charge</b>	<b>\$ 40.00 per month</b>
Commodity Charge – All Ccf	\$ 0.08020 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

**Agreement**

An Agreement for Gas Service may be required.

**Notice**

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

<sup>1</sup> Reference Rider CEE - Conservation And Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2014.

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

<b>RATE SCHEDULE:</b>	<b>I – INDUSTRIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**Application**

Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 3,500 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 3,500 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

**Type of Service**

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

**Monthly Rate**

Customer's monthly bill will be calculated by adding the following Customer and MMBtu charges to the amounts due under the riders listed below:

<b>Charge</b>	<b>Amount</b>
Customer Charge per Meter	\$ 700.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.2937 per MMBtu
Next 3,500 MMBtu	\$ 0.2151 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0461 per MMBtu

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

**Curtailment Overpull Fee**

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

**Replacement Index**

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION****RRC Tariff No. 9**  
**CONTENT #9**

<b>RATE SCHEDULE:</b>	<b>I – INDUSTRIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**Agreement**

An Agreement for Gas Service may be required.

**Notice**

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

**Special Conditions**

In order to receive service under Rate I, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

<b>RATE SCHEDULE:</b>	<b>R – RESIDENTIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**Application**

Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

**Type of Service**

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

**Monthly Rate**

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

<b>Charge</b>	<b>Amount</b>
Customer Charge per Bill	\$ 18.60 per month
Rider CEE Surcharge	\$ 0.02 per month <sup>1</sup>
<b>Total Customer Charge</b>	<b>\$ 18.62 per month</b>
Commodity Charge – All Ccf	\$0.09931 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

**Agreement**

An Agreement for Gas Service may be required.

**Notice**

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

<sup>1</sup>Reference Rider CEE - Conservation And Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2014.



**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

RRC Tariff No. **CC-ITEM #9**

<b>RATE SCHEDULE:</b>	<b>T – TRANSPORTATION</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**Application**

Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., Mid-Tex Division Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility.

**Type of Service**

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

**Monthly Rate**

Customer's bill will be calculated by adding the following Customer and MMBtu charges to the amounts and quantities due under the riders listed below:

<b>Charge</b>	<b>Amount</b>
Customer Charge per Meter	\$ 700.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.2937 per MMBtu
Next 3,500 MMBtu	\$ 0.2151 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0461 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

**Imbalance Fees**

All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

**Monthly Imbalance Fees**

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**RRCTariff No. **9**

<b>RATE SCHEDULE:</b>	<b>T – TRANSPORTATION</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**Curtailment Overpull Fee**

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

**Replacement Index**

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

**Agreement**

A transportation agreement is required.

**Notice**

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

**Special Conditions**

In order to receive service under Rate T, customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

<b>RIDER:</b>	<b>WNA – WEATHER NORMALIZATION ADJUSTMENT</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 11/01/2015</b>	<b>PAGE:</b>

Provisions for Adjustment

The Commodity Charge per Ccf (100 cubic feet) for gas service set forth in any Rate Schedules utilized by the cities of the Mid-Tex Division service area for determining normalized winter period revenues shall be adjusted by an amount hereinafter described, which amount is referred to as the "Weather Normalization Adjustment." The Weather Normalization Adjustment shall apply to all temperature sensitive residential and commercial bills based on meters read during the revenue months of November through April. The five regional weather stations are Abilene, Austin, Dallas, Waco, and Wichita Falls.

Computation of Weather Normalization Adjustment

The Weather Normalization Adjustment Factor shall be computed to the nearest one-hundredth cent per Ccf by the following formula:

$$WNAF_i = R_i \frac{(HSF_i \times (NDD-ADD))}{(BL_i + (HSF_i \times ADD))}$$

Where  
 $i$  = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification

$WNAF_i$  = Weather Normalization Adjustment Factor for the  $i^{th}$  rate schedule or classification expressed in cents per Ccf

$R_i$  = Commodity Charge rate of temperature sensitive sales for the  $i^{th}$  schedule or classification.

$HSF_i$  = heat sensitive factor for the  $i^{th}$  schedule or classification divided by the average bill count in that class

$NDD$  = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.

$ADD$  = billing cycle actual heating degree days.

$BL_i$  = base load sales for the  $i^{th}$  schedule or classification divided by the average bill count in that class

The Weather Normalization Adjustment for the  $j$ th customer in  $i$ th rate schedule is computed as:

$$WNA_j = WNAF_i \times q_{ij}$$

Where  $q_{ij}$  is the relevant sales quantity for the  $j$ th customer in  $i$ th rate schedule.

<b>RIDER:</b>	<b>WNA – WEATHER NORMALIZATION ADJUSTMENT</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 11/01/2015</b>	<b>PAGE:</b>

Base Use/Heat Use Factors

Weather Station	<u>Residential</u>		<u>Commercial</u>	
	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>
Abilene	10.22	0.1404	98.80	0.6372
Austin	11.59	0.1443	213.62	0.7922
Dallas	14.12	0.2000	208.11	0.9085
Waco	9.74	0.1387	130.27	0.6351
Wichita Falls	11.79	0.1476	122.35	0.5772

Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at [atmosenergy.com/mtx-wna](http://atmosenergy.com/mtx-wna), in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and a Excel version of the *WNA Report* with the Railroad Commission of Texas' Gas Services Division, addressed to the Director of that Division.



ATMOS ENERGY CORP., MID-TEX DIVISION  
PROOF OF REVENUES AND PROPOSED TARIFF STRUCTURE  
TEST YEAR ENDING DECEMBER 31, 2014

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Proposed Change In Rates:		\$21,066,527	Schedule A			
2	Proposed Change In Rates without Revenue Related Taxes:		\$19,757,254	Ln 1 divided by factor on WP_F-5.1			
3							
4							
5							
6		Revenue					
7	Residential	Requirements	Allocations				
8	Commercial	\$ 338,431,486	77.95%	Per GUD 10170 Final Order			
9	Industrial and Transportation	\$ 84,223,622	19.40%	Per GUD 10170 Final Order			
10	Net Revenue Requirements GUD No. 10170	\$ 11,490,316	2.65%	Per GUD 10170 Final Order			
11		\$ 434,145,424					
12							
17							
18	Rate Class	Current	Proposed Change	Proposed Rates	Proposed Change In Revenues	Proposed Revenues	Proposed Rates with Rate Case Expenses
19							
20	Residential Base Charge	\$ 18.20	\$ 0.36	\$ 18.56	\$ 6,351,350	\$ 327,447,398	\$ 18.60
21	Residential Consumption Charge	\$ 0.08819	\$ 0.01112	\$ 0.09931	\$ 9,049,383	\$ 80,817,829	\$ 0.09931
22	Commercial Base Charge	\$ 38.50	\$ 1.37	\$ 39.87	\$ 2,000,584	\$ 58,221,364	\$ 40.00
23	Commercial Consumption Charge	\$ 0.07681	\$ 0.00339	\$ 0.08020	\$ 1,834,968	\$ 43,411,339	\$ 0.08020
24	I&T Base Charge	\$ 675.00	\$ 22.35	\$ 697.35	\$ 220,192	\$ 6,870,292	\$ 700.00
25	I&T Consumption Charge Tier 1 MMBTU	\$ 0.2807	\$ 0.0130	\$ 0.2937	\$ 142,055	\$ 3,209,350	\$ 0.2937
26	I&T Consumption Charge Tier 2 MMBTU	\$ 0.2056	\$ 0.0095	\$ 0.2151	\$ 117,051	\$ 2,650,282	\$ 0.2151
27	I&T Consumption Charge Tier 3 MMBTU	\$ 0.0441	\$ 0.0020	\$ 0.0461	\$ 42,703	\$ 984,314	\$ 0.0461
28					\$ 19,758,287	\$ 523,612,169	
29							

Data Sources:  
GUD10170\_FINAL.xlsm

ATMOS ENERGY CORP., MID-TEX DIVISION  
PROOF OF REVENUES AND PROPOSED TARIFF STRUCTURE  
TEST YEAR ENDING DECEMBER 31, 2014

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Proposed Change In Rates:		\$21,066,527	Schedule A			
2	Proposed Change In Rates without Revenue Related Taxes:		\$19,757,254	Ln 1 divided by factor on WP_F-5.1			
3							
4							
5							
6							
		Revenue					
		Requirements	Allocations				
7	Residential	\$ 338,431,486	77.95%	Per GUD 10170 Final Order			
8	Commercial	\$ 84,223,622	19.40%	Per GUD 10170 Final Order			
9	Industrial and Transportation	\$ 11,490,316	2.65%	Per GUD 10170 Final Order			
10	Net Revenue Requirements GUD No. 10170	<u>\$ 434,145,424</u>					
11							
12							
17							
18	Rate Class	Current	Proposed Change	Proposed Rates	Proposed Change In Revenues	Proposed Revenues	Proposed Rates with Rate Case Expenses
19							
20	Residential Base Charge	\$ 18.20	\$ 0.36	\$ 18.56	\$ 6,351,350	\$ 327,447,398	\$ 18.60
21	Residential Consumption Charge	\$ 0.08819	\$ 0.01112	\$ 0.09931	\$ 9,049,383	\$ 80,817,829	\$ 0.09931
22	Commercial Base Charge	\$ 38.50	\$ 1.37	\$ 39.87	\$ 2,000,584	\$ 58,221,364	\$ 40.00
23	Commercial Consumption Charge	\$ 0.07681	\$ 0.00339	\$ 0.08020	\$ 1,834,968	\$ 43,411,339	\$ 0.08020
24	I&T Base Charge	\$ 675.00	\$ 22.35	\$ 697.35	\$ 220,192	\$ 6,870,292	\$ 700.00
25	I&T Consumption Charge Tier 1 MMBTU	\$ 0.2807	\$ 0.0130	\$ 0.2937	\$ 142,055	\$ 3,209,350	\$ 0.2937
26	I&T Consumption Charge Tier 2 MMBTU	\$ 0.2056	\$ 0.0095	\$ 0.2151	\$ 117,051	\$ 2,650,282	\$ 0.2151
27	I&T Consumption Charge Tier 3 MMBTU	\$ 0.0441	\$ 0.0020	\$ 0.0461	\$ 42,703	\$ 984,314	\$ 0.0461
28					\$ 19,758,287	\$ 523,612,169	
29							

Data Sources:  
GUD10170\_FINAL.xlsm

<b>RATE SCHEDULE:</b>	<b>C – COMMERCIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

#### Application

Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 30,000 Ccf.

#### Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

#### Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

<b>Charge</b>	<b>Amount</b>
Customer Charge per Bill	\$ 40.00 per month
Rider CEE Surcharge	\$ 0.00 per month <sup>1</sup>
<b>Total Customer Charge</b>	<b>\$ 40.00 per month</b>
Commodity Charge – All Ccf	\$ 0.08020 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

#### Agreement

An Agreement for Gas Service may be required.

#### Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

<sup>1</sup> Reference Rider CEE - Conservation And Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2014.

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 06/01/2015	PAGE:

#### Application

Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 3,500 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 3,500 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

#### Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

#### Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and MMBtu charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Meter	\$ 700.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.2937 per MMBtu
Next 3,500 MMBtu	\$ 0.2151 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0461 per MMBtu

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

#### Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

#### Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.



**MID-TEX DIVISION  
ATMOS ENERGY CORPORATION**

Attachment C  
RRC Tariff No. 9  
**CC ITEM #9**

<b>RATE SCHEDULE:</b>	<b>I – INDUSTRIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**Agreement**

An Agreement for Gas Service may be required.

**Notice**

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

**Special Conditions**

In order to receive service under Rate I, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

<b>RATE SCHEDULE:</b>	<b>R – RESIDENTIAL SALES</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

**Application**

Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

**Type of Service**

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

**Monthly Rate**

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

<b>Charge</b>	<b>Amount</b>
Customer Charge per Bill	\$ 18.60 per month
Rider CEE Surcharge	\$ 0.02 per month <sup>1</sup>
<b>Total Customer Charge</b>	<b>\$ 18.62 per month</b>
Commodity Charge – All Ccf	\$0.09931 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

**Agreement**

An Agreement for Gas Service may be required.

**Notice**

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

<sup>1</sup>Reference Rider CEE - Conservation And Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2014.

<b>RATE SCHEDULE:</b>	<b>T – TRANSPORTATION</b>	
<b>APPLICABLE TO:</b>	<b>ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS</b>	
<b>EFFECTIVE DATE:</b>	<b>Bills Rendered on or after 06/01/2015</b>	<b>PAGE:</b>

#### Application

Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., Mid-Tex Division Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility.

#### Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

#### Monthly Rate

Customer's bill will be calculated by adding the following Customer and MMBtu charges to the amounts and quantities due under the riders listed below:

<b>Charge</b>	<b>Amount</b>
Customer Charge per Meter	\$ 700.00 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.2937 per MMBtu
Next 3,500 MMBtu	\$ 0.2151 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0461 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

#### Imbalance Fees

All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

#### Monthly Imbalance Fees

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 06/01/2015	PAGE:

**Curtailment Overpull Fee**

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

**Replacement Index**

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

**Agreement**

A transportation agreement is required.

**Notice**

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

**Special Conditions**

In order to receive service under Rate T, customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 11/01/2015	PAGE:

Provisions for Adjustment

The Commodity Charge per Ccf (100 cubic feet) for gas service set forth in any Rate Schedules utilized by the cities of the Mid-Tex Division service area for determining normalized winter period revenues shall be adjusted by an amount hereinafter described, which amount is referred to as the "Weather Normalization Adjustment." The Weather Normalization Adjustment shall apply to all temperature sensitive residential and commercial bills based on meters read during the revenue months of November through April. The five regional weather stations are Abilene, Austin, Dallas, Waco, and Wichita Falls.

Computation of Weather Normalization Adjustment

The Weather Normalization Adjustment Factor shall be computed to the nearest one-hundredth cent per Ccf by the following formula:

$$WNAF_i = R_i \frac{(HSF_i \times (NDD-ADD))}{(BL_i + (HSF_i \times ADD))}$$

Where

- $i$  = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification
- $WNAF_i$  = Weather Normalization Adjustment Factor for the  $i^{th}$  rate schedule or classification expressed in cents per Ccf
- $R_i$  = Commodity Charge rate of temperature sensitive sales for the  $i^{th}$  schedule or classification.
- $HSF_i$  = heat sensitive factor for the  $i^{th}$  schedule or classification divided by the average bill count in that class
- $NDD$  = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.
- $ADD$  = billing cycle actual heating degree days.
- $BL_i$  = base load sales for the  $i^{th}$  schedule or classification divided by the average bill count in that class

The Weather Normalization Adjustment for the  $j$ th customer in  $i$ th rate schedule is computed as:

$$WNA_i = WNAF_i \times q_{ij}$$

Where  $q_{ij}$  is the relevant sales quantity for the  $j$ th customer in  $i$ th rate schedule.



RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION EXCEPT THE CITY OF DALLAS AND UNINCORPORATED AREAS	
EFFECTIVE DATE:	Bills Rendered on or after 11/01/2015	PAGE:

Base Use/Heat Use Factors

Weather Station	<u>Residential</u>		<u>Commercial</u>	
	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>
Abilene	10.22	0.1404	98.80	0.6372
Austin	11.59	0.1443	213.62	0.7922
Dallas	14.12	0.2000	208.11	0.9085
Waco	9.74	0.1387	130.27	0.6351
Wichita Falls	11.79	0.1476	122.35	0.5772


Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at [atmosenergy.com/mtx-wna](http://atmosenergy.com/mtx-wna), in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and a Excel version of the *WNA Report* with the Railroad Commission of Texas' Gas Services Division, addressed to the Director of that Division.

File Date: February 27, 2015

**ATMOS ENERGY CORP., MID-TEX DIVISION  
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL  
TEST YEAR ENDING DECEMBER 31, 2014**

Line No.	Description	Shared Services		Mid-Tex Direct			Adjustment Total
		Pension Account Plan ("PAP")	Post-Retirement Medical Plan ("FAS 106")	Pension Account Plan ("PAP")	Supplemental Executive Benefit Plan ("SERP")	Post-Retirement Medical Plan ("FAS 106")	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Fiscal Year 2014 Towers Watson Report (excluding Removed Cost Centers)	\$ 6,388,826	\$ 4,542,023	\$ 9,481,670	\$ 165,758	\$ 8,736,645	
2	Allocation to Mid-Tex	46.26%	46.26%	71.70%	100.00%	71.70%	
3	FY14 Towers Watson Benefit Costs (excluding Removed Cost Centers) Allocated to MTX (Ln 1 x Ln 2)	\$ 2,955,304	\$ 2,101,021	\$ 6,798,531	\$ 165,758	\$ 6,264,334	
4	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%	
5	FY14 Towers Watson Benefit Costs To Approve (excluding Removed Cost Centers) (Ln 3 x Ln 4)	\$ 2,955,304	\$ 2,101,021	\$ 6,798,531	\$ 165,758	\$ 6,264,334	\$ 18,284,949
6							
7							
8	<b>Summary of Costs to Approve:</b>						
9							
10	Total Pension Account Plan ("PAP")	\$ 2,955,304		\$ 6,798,531			\$ 9,753,835
11	Total Post-Retirement Medical Plan ("FAS 106")		\$ 2,101,021			\$ 6,264,334	\$ 8,365,356
12	Total Supplemental Executive Retirement Plan ("SERP")				\$ 165,758		165,758
13	Total (Ln 10 + Ln 11 + Ln 12)	\$ 2,955,304	\$ 2,101,021	\$ 6,798,531	\$ 165,758	\$ 6,264,334	\$ 18,284,949
14							
15							
16	O&M Expense Factor	95.82%	95.82%	43.03%	21.00%	43.03%	
17							
18	Expense Portion (Ln 13 x Ln 16)	\$ 2,831,859	\$ 2,013,260	\$ 2,925,600	\$ 34,809	\$ 2,695,721	\$ 10,501,250
19							
20	Capital Factor	4.18%	4.18%	56.97%	79.00%	56.97%	
21							
22	Capital Portion (Ln 13 x Ln 20)	\$ 123,445	\$ 87,761	\$ 3,872,930	\$ 130,949	\$ 3,568,614	\$ 7,783,699
23							
24	Total (Ln 18 + Ln 22)	\$ 2,955,304	\$ 2,101,021	\$ 6,798,531	\$ 165,758	\$ 6,264,334	\$ 18,284,949

MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL  
FROM: BRUNO RUMBELOW, CITY MANAGER   
MEETING DATE: JULY 7, 2015  
SUBJECT: ENGINEERING DESIGN AND CONSTRUCTION SERVICES  
CONTRACT – MUSTANG ELEVATED STORAGE TANK

RECOMMENDATION:

City Council consider:

- awarding an Engineering Design and Construction Phase Services Contract to DeltaTek Engineering in the amount of \$94,575.00 for the design and inspection of structural repairs and the interior and exterior painting of the support column and tank of the Mustang Elevated Storage Tank,
- adopting an ordinance appropriating \$104,032.50 for the contract award plus 10% contingency to the FY 2014 – 2015 Capital Improvements Plan,
- authorizing the City Manager to execute said contract, and

take any necessary action.

FUNDING:

Funds are available and programmed in the Water and Sanitary Sewer Released Impact Fees and in the 2015 Utility Bond Sale.

BACKGROUND:

Mustang Elevated Storage Facility was built in 1973 and has a tank storage capacity of 1,000,000 gallons of water. The support column and base and the elevated tank are steel structures that require periodic painting. This tank was last emptied and painted in 2003.

Painting systems used on storage tanks typically last 12 to 15 years and additional life of said paint systems can be achieved with periodic minor maintenance. All interiors of tanks are inspected annually by a certified inspector with the use of scuba diving gear checking the paint system for pitting and deterioration. In April 2015, staff had DeltaTek perform a full inspection of this tank. The results of the inspection identified the need for tank and support column repainting with some structural repairs to the support column due to corrosion.

Additional modifications to the tank are necessary to meet various regulatory agency regulations (TCEQ, AWWA, ANSI, OSHA) as well as to address operational deficiencies. These modifications include replacing the roof vent with a new vandal resistant vent, replacing the insect shield with one that will also shield from dust and other particulate matter, new roof hatches, installing a new roof safety rail and an anti-fall railing on all access ladders. The current opinion of estimated cost is \$953,212.00 for construction of these improvements with an anticipated construction time of 240 days.

DeltaTek Engineering is a company that specializes in design and construction services for ground and elevated water storage tanks. Staff has relied upon them to provide construction assessment, design and construction inspection services to the City since 2001. They have a thorough knowledge of our water storage network and anticipate a design time of 10 weeks from notice to proceed.

Staff recommends approval.

PL/JR

ORDINANCE NO. \_\_\_\_\_

MUSTANG TANK

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS, REVISING THE ADOPTED CAPITAL IMPROVEMENTS BUDGET FOR THE FISCAL YEAR ENDING IN 2015, PROVIDING FOR THE TRANSFER OF THE FUNDS; DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council of the City of Grapevine, Texas desires to maintain its water infrastructure with regular maintenance, repairs and updates as necessary; and

WHEREAS, funding for the maintenance activities, and the design and construction phase services relative to the repairs and updates needed for the Mustang Elevated Storage Tank is not currently included in the FY 2014 -2015 Capital Improvements Plan Budget; and

WHEREAS, maintenance, repairs and updates to the Mustang Elevated Storage Tank is necessary to insure continued optimum operation of the tank and the City's Water Distribution System.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS:

Section 1. That all matters stated in the preamble of this ordinance are true and correct and are hereby incorporated into the body of this ordinance as if copied in their entirety.

Section 2. That the City Council hereby authorizes an amount of \$104,032.50 be appropriated from the Water and Sanitary Sewer Released Impact Fees and the 2015 Utility Bonds to the FY 2014-2015 Capital Improvements Plan budget for design and construction phase services relative to the Mustang Elevated Storage Tank Rehabilitation Project.

Section 3. That the terms and provisions of this ordinance shall be deemed to be severable, and that if the validity of any section, subsection, word, sentence or phrase shall be held to be invalid, it shall not affect the remaining part of this ordinance.

Section 4. That the fact that the present ordinances and regulations of the City of Grapevine, Texas are inadequate to properly safeguard the health, safety, morals, peace and general welfare of the inhabitants of the City of Grapevine, Texas, creates an emergency for the immediate preservation of the public business, property, health, safety, and general welfare which requires that this ordinance shall take effect immediately from and after its passage and it is accordingly so ordained.



PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF  
GRAPEVINE, TEXAS on this the 7th day of July, 2015.

APPROVED:


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ATTEST:

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APPROVED AS TO FORM:

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MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL  
FROM: BRUNO RUMBELOW, CITY MANAGER   
MEETING DATE: JULY 7, 2015  
SUBJECT: APPROVAL FOR THE SALE OF CITY SURPLUS PROPERTY

RECOMMENDATION:

City Council to consider approval for the sale of property listed in Exhibit "A" as surplus property and authorizes their sale through public auction.

BACKGROUND:

This request is for approval of the sale of surplus property as listed in Exhibit "A". The City currently has various types of scanners, a weather station, two-way radios, office and lounge furniture, copier, lawn equipment including mowers, blowers and miscellaneous police equipment including holsters, uniforms, cases and miscellaneous equipment ready for auction due to equipment age or condition. Staff has considered age, cost of operation and/or life to date maintenance costs when classifying property as surplus.


Staff recommends approval.

LW

## **Exhibit "A"**

### **July 7, 2015**

1. Estimated 1- Lot file cabinets, office and lounge furniture.
2. Estimated 133 ea. holsters with/without flashlights.
3. Estimated 203 ea. uniform pants, shorts, shirts, jackets, helmets, goggles, vest and belts.
4. Estimated 285 ea. various single, double, triple, utility, baton, handcuff and radio pouches.
5. Estimated 60 ea. flashlights, spot lights, flood lights, backpacks and charging cords.
6. Estimated 108 ea. miscellaneous clips, straps, slings, snap rings, canteens and headsets.
7. Estimated 58 ea. hard and soft gun cases.
8. Estimated 5 ea. mowers, edgers and blowers.
9. Estimated 7 ea. tires, signal panels and jumper cables.
10. Estimated 6 ea. trunk boxes.
11. Estimated 3 ea. compressors.
12. Estimated 2 ea. roller bins.
13. Estimated 11 ea. radio holders.
14. Estimated 1 ea. biz hub copier.
15. Estimated 10 ea. vehicle two-way radios.
16. Estimated 2 ea. laser scanners.
17. Estimated 1 ea. weather station.

MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL  
FROM: BRUNO RUMBELOW, CITY MANAGER   
MEETING DATE: JULY 7, 2015  
SUBJECT: RENEWAL OF CONTRACTS FOR ALTERNATE MUNICIPAL COURT JUDGES

RECOMMENDATION:

City Council to consider approval of the attached contracts to reappoint Judge Brad Bradley as First Alternate Municipal Court Judge to substitute in the temporary absence of the Presiding Municipal Court Judge and Judge Terry Leach to substitute in the temporary absence of the Presiding Municipal Court Judge and the First Alternate Judge.

FUNDING SOURCE:

The Municipal Court's budget allocates \$7,000 under 100-44540-107-1 Legal Services for compensation of the Alternate Judges.

BACKGROUND INFORMATION:

The Grapevine Municipal Court of Record Statute [Texas Government Code Section 30.694(j)] and the related City Ordinance [Section 8-2(c) of the Grapevine Code of Ordinances] provide for the City Council's appointment of one or more qualified persons to serve in the temporary absence of the Presiding Municipal Judge.

Staff recommends approval.

CONTRACT FOR APPOINTMENT OF  
ALTERNATE MUNICIPAL JUDGE  
FOR THE CITY OF GRAPEVINE, TEXAS

The City of Grapevine, Texas, in accordance with Section 8-2(c) of the Code of Ordinances of the City of Grapevine, by this instrument hereby enters into a contract with Brad Bradley for appointment as Alternate Municipal Judge of the City of Grapevine, Texas.

The tenure of this appointment shall be (1) one year from the date of said signed contract. However, the Alternate Judge of the Municipal Court may be removed by a majority vote of the City Council for incompetency, corruption, misconduct or malfeasance in office, after due notice and an opportunity to be heard in his defense. Also, following due procedure, the Alternate Judge of the Municipal Court may be removed from office by City Council resolution declaring a lack of confidence in the Judge.

Said Alternate Municipal Judge shall perform the duties of the Municipal Judge when the Municipal Judge is temporarily unavailable to perform his duties.

Moreover, the Alternate Municipal Judge shall each year satisfy the annual continuing Judicial Education requirements of the State Government Code, Section 29.008 without compensation or reimbursement for such certification from the City of Grapevine.

The Alternate Judge shall be compensated up to a maximum of \$7,000 for the services rendered by him on behalf of the City of Grapevine, Texas as documented by the Court Administrator.

This contract is made and entered into by and between the City of Grapevine, Texas and Brad Bradley, and shall be effective immediately upon its execution.

Signed this the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

City of Grapevine, Texas

By: \_\_\_\_\_  
Brad Bradley  
Alternate Municipal Judge

By: \_\_\_\_\_  
Bruno Rumbelow  
City Manager



ATTEST:

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Tara Brooks  
City Secretary

APPROVED:

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City Attorney

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Alan Wayland  
Municipal Court Judge

CONTRACT FOR APPOINTMENT OF  
SECOND ALTERNATE MUNICIPAL JUDGE  
FOR THE CITY OF GRAPEVINE, TEXAS

The City of Grapevine, Texas, in accordance with Section 8-2(c) of the Code of Ordinances of the City of Grapevine, by this instrument hereby enters into a contract with Terry Leach for appointment as Second Alternate Municipal Judge of the City of Grapevine, Texas.

The tenure of this appointment shall be (1) one year from the date of said signed contract. However, the Alternate Judge of the Municipal Court may be removed by a majority vote of the City Council for incompetency, corruption, misconduct or malfeasance in office, after due notice and an opportunity to be heard in his defense. Also, following due procedure, the Second Alternate Judge of the Municipal Court may be removed from office by City Council resolution declaring a lack of confidence in the Judge.

Said Second Alternate Municipal Judge shall perform the duties of the Municipal Judge when the Municipal Judge is temporarily unavailable to perform his duties.

Moreover, the Second Alternate Municipal Judge shall each year satisfy the annual continuing Judicial Education requirements of the State Government Code, Section 29.008 without compensation or reimbursement for such certification from the City of Grapevine.

The Second Alternate Judge shall be compensated \$60.00 per arraignment, \$60 per warrant and \$300 per Court Session for services rendered by him on behalf of the City of Grapevine, Texas as documented by the Court Administrator.

This contract is made and entered into by and between the City of Grapevine, Texas and Terry Leach, and shall be effective immediately upon its execution.

Signed this the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

City of Grapevine, Texas

By: \_\_\_\_\_  
Terry Leach  
Alternate Municipal Judge

By: \_\_\_\_\_  
Bruno Rumbelow  
City Manager

ATTEST:

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Tara Brooks  
City Secretary


APPROVED:

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City Attorney

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Alan Wayland  
Municipal Court Judge

MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL  
FROM: BRUNO RUMBELOW, CITY MANAGER   
MEETING DATE: JULY 7, 2015  
SUBJECT: RESOLUTION TO ADOPT TARRANT COUNTY HAZARD  
MITIGATION ACTION PLAN (HazMAP)

### RECOMMENDATION

City Council to consider approval of a resolution adopting the Tarrant County HazMAP as the City of Grapevine hazard mitigation plan.

### BACKGROUND

Mitigation should form the foundation of every emergency management agency's plans and procedures. Emergency Management agencies must adopt mitigation practices to reduce, minimize, or eliminate hazards in their community. The Tarrant County Local Hazard Mitigation Action Plan (HazMAP) identifies the hazards faced in the community, vulnerabilities to these hazards, and mitigation strategies for the future. The plan fulfills the requirements of the Federal Disaster Mitigation Act as administered by the Texas Division of Emergency Management (TDEM) and the Federal Emergency Management Agency (FEMA).

The Tarrant County HazMAP has been tentatively approved by the Federal Emergency Management Agency (FEMA) pending adoption from all jurisdictions participating in the plan. This plan has been in development for several years with direct input from City staff.

Adoption of this plan will meet regulation 44 CFR §201.6 allowing both the City of Grapevine and Tarrant County to be eligible for federal grant funds for emergency response and disaster recovery. The HazMAP plan is over 500 pages in length and is available for viewing in the City Secretary's office.

Approval of this plan by FEMA has been a two-year process. Failure of participating governments to adopt the HazMAP will result in a loss of federal disaster aid to all participating governments.

The following participating governments are included in this plan:

- Tarrant County
- Arlington, City of
- Azle, City of
- Bedford, City of
- Blue Mound, City of
- Colleyville, City of
- Crowley, City of
- Dallas Fort Worth International Airport
- Euless, City of
- Forest Hill, City of
- Fort Worth, City of
- Grapevine, City of
- Haltom, City of
- Haslet, City of
- Hurst, City of
- Keller, City of
- Kennedale, City of
- Lake Worth, City of
- Lakeside, Town of
- North Central Texas Council of Governments
- North Richland Hills, City of
- Richland Hills, City of
- Saginaw, City of
- Southlake, City of
- Watauga, City of
- Westlake, Town of
- Westworth Village, City of

Staff recommends approval.

ED



RESOLUTION NO. \_\_\_\_\_

HAZARD  
MITIGATION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
GRAPEVINE, TEXAS ADOPTING THE TARRANT COUNTY  
HAZARD MITIGATION ACTION PLAN, JUNE 2015 AND  
PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Grapevine recognizes the threat that natural hazards pose to people and property within the City of Grapevine; and

WHEREAS, the City of Grapevine has prepared a multi-hazard mitigation plan, hereby known as Tarrant County Hazard Mitigation Action Plan, June 2015 in accordance with the Disaster Mitigation Act of 2000; and

WHEREAS, Tarrant County Hazard Mitigation Action Plan, June 2015 identifies mitigation goals and actions to reduce or eliminate long-term risk to people and property in the City of Grapevine from the impacts of future hazards and disasters; and

WHEREAS, adoption by the City of Grapevine demonstrates their commitment to hazard mitigation and achieving the goals outlined in the Tarrant County Hazard Mitigation Action Plan, June 2015; and

WHEREAS, all legal prerequisites for the adoption of this resolution have been met, including but not limited to the Local Government Code and the Open Meetings Act; and

WHEREAS, the City Council hereby declares that the approval of this resolution is in the best interests of the health, safety, and welfare of the public.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS:

Section 1. That all matters stated in the above preamble are true and correct and are incorporated herein as if copied in their entirety.

Section 2. That the City Council of the City of Grapevine, Texas adopts the Tarrant County Hazard Mitigation Action Plan, June 2015.

Section 3. That this resolution shall take effect from and after the date of its passage.

ADOPTED by a vote of \_\_\_ in favor and \_\_\_ against and \_\_\_\_\_ abstaining.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF  
GRAPEVINE, TEXAS on this the 7th day of July, 2015.

APPROVED:


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ATTEST:

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APPROVED AS TO FORM:

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MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL  
FROM: BRUNO RUMBELOW, CITY MANAGER   
MEETING DATE: JULY 7, 2015  
SUBJECT: APPROVAL TO RENEW AN ANNUAL CONTRACT FOR  
WORKFORCE MANAGEMENT CLOUD HOSTING

RECOMMENDATION:

City Council to consider approval to renew an annual contract with Kronos, Inc. for an annual contract for workforce management cloud hosting for Fire Department staff through a Cooperative Purchasing Agreement with U.S. Communities.

FUNDING SOURCE:

Funding for this purchase is currently available in account 100-44500-210-1 (IT License & Maintenance Fees) in the amount not to exceed \$15,690.00.

BACKGROUND:


This purchase will be made in accordance with an existing Cooperative Purchasing Agreement with the Government Purchasing Alliance, U.S. Communities, as allowed by the Texas Local Government Code, Section 271.102, Cooperative Purchasing Program.

Bids were taken by the Cooperative and a contract was awarded to Kronos, Inc. The annual contract includes two, one-year optional renewals. This approval would be the first renewal option. The Purchasing and Fire Department staff reviewed the contract for specification compliance and determined that the contract would provide the best service and pricing for meeting the needs of the City.

This request is for annual cloud hosting of the automated payroll software that effectively replaced the paper based manual system and is integrated with the City's Stw Inc. payroll software. This software is web based and manages the Fire Department's daily roster which includes real-time station/apparatus staffing as well as the tracking of employee vacation, comp time, holiday, and sick time usage.

Staff recommends approval.

MA/BS

MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL  
FROM: BRUNO RUMBELOW, CITY MANAGER   
MEETING DATE: JULY 7, 2015  
SUBJECT: APPROVAL OF A RESOLUTION FOR THE PURCHASE OF  
TABLET COMPUTERS

RECOMMENDATION:

City Council to consider approval of a resolution for the purchase of 13 Getac tablet computers for the Fire Department from PCS Mobile through a contract established by the State of Texas Department of Information Resources (DIR) Cooperative Contracts Program.

FUNDING SOURCE:

Funding for this purchase is currently available in account 100-42210-210-3 (Computer Equipment & Supplies) in the amount not to exceed \$61,876.13.

BACKGROUND:

This purchase will be made in accordance with a contract established with PCS Mobile by the State of Texas Department of Information Resources (DIR) Cooperative Contracts Program. Purchases through this program are authorized under Texas Local Government Code, Chapter 271, Subchapter D and Texas Government Code Chapter 2054, Section 2054.0565 (b).

Bids were taken by the cooperative and a contract was awarded to PCS Mobile. The Purchasing and Police/Fire Department staff reviewed the contract for specification compliance and determined that the contract would provide the best product and pricing for meeting the needs of the City.

The purpose of this request is to approve the purchase of 13 rugged Getac tablets and associated hardware/software. The tablets will be used in the field by the Fire Department and replaces existing mobile workstations that are older technology and are at the end of their useful life expectancy. This purchase ensures that our Fire Department personnel will be able to communicate efficiently with the Police Department using state of the art equipment.

Staff recommends approval.  
MB/BS

RESOLUTION NO. \_\_\_\_\_

COMPUTERS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS, AUTHORIZING THE CITY MANAGER OR THE CITY MANAGER'S DESIGNEE TO PURCHASE TABLET COMPUTERS THROUGH A STATE OF TEXAS DEPARTMENT OF INFORMATION RESOURCES (DIR) CONTRACT PROGRAM AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Grapevine, Texas is a local government in the State of Texas and as such is empowered by the Texas Local Government Code, Chapter 271, Subchapter D and Texas Government Code Chapter 2054, Section 2054.0565 (b) to make purchases under a state contract therefore satisfying any state law requiring local governments to seek competitive bids for the purchase of the item; and

WHEREAS, the State of Texas Department of Information Resources (DIR) Cooperative Contracts Program is a qualified purchasing program; and

WHEREAS, the City of Grapevine, Texas can participate in the State of Texas DIR Cooperative Contracts Program through membership in the Program and wishes to utilize the contract meeting all State of Texas bidding requirements; and

WHEREAS, the State of Texas DIR Cooperative Contracts Program has an established contract No. DIR-SDD-2061 with PCS Mobile for IT Products and Related Services; and

WHEREAS, the City has a need to replace thirteen tablet computers for the Fire Department; and

WHEREAS, all legal prerequisites for the adoption of this resolution have been met, including but not limited to the Local Government Code and the Open Meetings Act; and

WHEREAS, the City Council hereby declares that the approval of this resolution is in the best interests of the health, safety, and welfare of the public.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS:

Section 1. That all matters stated in the above preamble are true and correct and are incorporated herein as if copied in their entirety.

Section 2. That the City Council of the City of Grapevine authorizes the purchase of thirteen Getac tablet computers from PCS Mobile for an amount not to exceed \$61,876.13.

Section 3. That the City Manager or his designee is authorized to take all steps necessary to consummate the purchase of said computers.

Section 4. That this resolution shall take effect from and after the date of its passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS on this the 7th day of July, 2015.

APPROVED:

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ATTEST:

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APPROVED AS TO FORM:

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MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL  
FROM: BRUNO RUMBELOW, CITY MANAGER   
MEETING DATE: JULY 7, 2015  
SUBJECT: APPROVAL FOR THE AWARD OF AN INFORMAL REQUEST  
FOR QUOTE FOR UPDATED HUMAN RESOURCE DATABASE  
SOFTWARE

RECOMMENDATION:

City Council to consider award of an informal request for quote for updated software for the City's Human Resource Information System (database) from CS3 Technology.

FUNDING SOURCE:

Funding for this purchase is currently available in the Human Resources Department account 100-44540-104-1 in an amount not to exceed:

\$19,000 for Sage Human Resource Management Systems (HRMS) 2015 software,  
\$ 579 for a Sequel server license,  
\$ 134 for a Sequel user license, and  
\$ 1,200 for two servers  
\$20,913 total cost

The City's IT department will be purchasing the Sequel server and user licenses, as well as the servers from a different vendor.

BACKGROUND:


Quotes were taken in accordance with the City's purchasing policy. Formal bids and advertisements are not required for purchases under \$50,000. Three vendors submitted quotations: Kianoff & Associates, Martin and Associates, and CS3 Technology. The recommendation is to award the bid to CS3 Technology because their quote was the lowest of the three.

The current Human Resource database software, Sage Abra Suite 9.1, was installed in 2009 and is based on Fox Pro programming language which is no longer used in software applications due to its very limited capability to share data between data banks. Sequel (SQL) programming language is a relational database language, which is newer and widely used, and is the language used to create Sage HRMS 2015.

The Human Resource database needs to update to a programming language that will communicate with other data banks such as our finance system (STW) and Laserfiche in order to make employee processes more efficient and for long term records retention purposes. This will be the first step in going to a paperless HR system. In addition, since Fox Pro-based software is outdated, at some point Microsoft and Microsoft software patches will no longer support Fox Pro-based software. Microsoft has not announced an ending date but it could happen at any time, therefore responsible, preventative action needs to be taken where the City's records are concerned.

Staff recommends approval.

CV

MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL  
FROM: BRUNO RUMBELOW, CITY MANAGER   
MEETING DATE: JULY 7, 2015  
SUBJECT: APPROVAL OF A RESOLUTION FOR THE PURCHASE OF  
ONE 2016 F-550 SERVICE BODY TRUCK AND ONE 2016 F-  
550 DUMP BED TRUCK

RECOMMENDATION:

City Council to consider approval of a resolution for the purchase of one 2016 F-550 service body truck and one 2016 F-550 dump bed truck from Chastang Ford for the Public Works Department through an Interlocal Agreement for Cooperative Purchasing with the Houston-Galveston Area Council (H-GAC).

FUNDING SOURCE:

Funding for this purchase is currently available in 177-48910-101-002-2015 (Motor Vehicles) for an amount not to exceed \$117,628.00.

BACKGROUND:

This purchase will be made in accordance with an existing Interlocal Agreement for Cooperative Purchasing with the Houston-Galveston Area Council (H-GAC) as allowed by Texas Local Government Code, Section 271.102, Cooperative Purchasing Program.

Bids were taken by the Cooperative and a contract was awarded to Chastang Ford. The Fleet Services and Purchasing staff reviewed the contract for departmental specification compliance and pricing and determined that the contract would provide the best product and pricing for meeting the needs of the City.

This purchase is for a 2016 F-550 service body truck and a 2016 F-550 flat dump bed truck to be used by the Public Works Traffic Division to accomplish the requirements of the Fiber Optic Project with GCISD. Specifications were provided by the Public Works Traffic Division and they meet all the criteria.

Staff recommends approval.

PH/LW

RESOLUTION NO. \_\_\_\_\_

TRUCKS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS, AUTHORIZING THE CITY MANAGER OR THE CITY MANAGER'S DESIGNEE TO PURCHASE ONE 2016 F-550 SERVICE BODY TRUCK AND ONE 2016 F-550 DUMP BED TRUCK THROUGH AN ESTABLISHED INTERLOCAL AGREEMENT FOR COOPERATIVE PURCHASING AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Grapevine, Texas is a local government in the State of Texas and as such is empowered by the Texas Local Government Code, Section 271.102 to enter into a cooperative purchasing program agreement with other qualified entities in the State of Texas; and

WHEREAS, the Houston-Galveston Area Council (H-GAC), a regional planning commission, is a qualified purchasing cooperative program as authorized by Section 271.102 of the Texas Local Government Code; and

WHEREAS, the City of Grapevine, Texas has established an Interlocal Agreement for Cooperative Purchasing with H-GAC and wishes to utilize established contracts meeting all State of Texas bidding requirements; and

WHEREAS, H-GAC has established a contract with Chastang Ford under contract No. HT 06-14, Medium and Heavy Trucks and Truck Bodies; and

WHEREAS, the City of Grapevine, Texas has a need to purchase one 2016 F-550 service body truck and one 2016 F-550 dump bed truck for the Public Works Traffic Division to use for the fiber optic project; and

WHEREAS, all legal prerequisites for the adoption of this resolution have been met, including but not limited to the Local Government Code and the Open Meetings Act; and

WHEREAS, the City Council hereby declares that the approval of this resolution is in the best interests of the health, safety, and welfare of the public.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS:

Section 1. That all matters stated in the above preamble are true and correct and are incorporated herein as if copied in their entirety.

Section 2. That the City Council of the City of Grapevine authorizes the purchase of one 2016 F-550 service body truck and one 2016 F-550 dump bed truck from Chastang Ford through an Interlocal Agreement for Cooperative Purchasing with H-GAC for an amount not to exceed \$117,628.00.

Section 3. That the City Manager or his designee is authorized to take all steps necessary to consummate the purchase of one 2016 F-550 service body truck and one 2016 F-550 dump bed truck.

Section 4. That this resolution shall take effect from and after the date of its passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS on this the 7th day of July 2015.

APPROVED:

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ATTEST:

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APPROVED AS TO FORM:

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MEMO TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: BRUNO RUMBELOW, CITY MANAGER 

MEETING DATE: JULY 7, 2015

SUBJECT: AWARD OF CONSTRUCTION CONTRACT – 2015 WATER AND  
SANITARY SEWER IMPROVEMENT PROJECT

RECOMMENDATION

City Council consider

- awarding the construction contract for the 2015 Water and Sanitary Sewer Improvement Project to Sabre Development Corp. in the amount of \$1,751,012.00,
- adopting an ordinance appropriating \$1,838,562.60 for the contract award plus a 5% contingency to the FY 2014 – 2015 Capital Improvements Plan,
- authorizing the City Manager to execute said contract, and

take any necessary action.

FUNDING:

Funds are available and programmed in the Water and Sanitary Sewer Released Impact Fees and in the 2015 Utility Bond Sale.

BACKGROUND:

This project consists of both water line improvements and sanitary sewer improvements.

The water improvements address needs at seven locations across the City consisting of water line replacements/upsizing and installing new lines to improve system circulation and water quality issues. The specific locations targeted in this water improvement project are:

- Dooley Street; Install new 8" water line between Silver Lake Elementary School to Dunn Street
- Dove Loop; Replace existing 6" with 8" water line between Dooley Street and Boyd Drive
- Boyd Drive; Replace existing 8" water line between Dove Loop and Northwest Highway
- College Street; Replace 4" existing water line with 8" water line at Crossing of Morehead Branch between Scribner and Ball Street
- Provide 8" water connection between Winding Creek Addition and Woodlake Apartments



- Redbud Lane; Replace existing 2" east of Dooley with a 6" water line
- Cable Creek Court; Connect existing dead end water line to new line in Dooley Street

The sanitary sewer improvements address needs due to failures and deterioration due to corrosive sewer gasses. The specific locations targeted in this sewer improvement project are:

- 16 sanitary sewer manholes along Wildwood, Dooley and Dove Loop that will be replaced or rehabilitated depending on level of sewer gas deterioration.
- Replacing the existing sanitary sewer crossing under SH 360, just south of Stone Myers Parkway. Holes have been discovered within the existing ductile iron pipe, small sections have already failed and additional failure is imminent. This will include a new casing pipe and a sanitary sewer line under TxDOT right-of-way over a length of approximately 500 LF.

Bids were opened on May 19, 2015 with three bids received as follows:

Sabre Development Corp.	\$1,751,012.00
Atkins Brothers	\$2,113,298.00
Gra-Tex Utilities	\$2,160,275.00

Baird, Hampton and Brown, Inc. Engineering has reviewed the bids and references and has recommended that the City award the contract to Sabre Development Corp. Baird, Hampton and Brown, Inc. is a civil engineering consulting firm that has extensive experience in water and wastewater projects. Work on this project is being performed in their local Grapevine office.

The contract schedule for the project establishes a construction time of 215 calendar days.

Staff recommends approval.

ORDINANCE NO. \_\_\_\_\_

WATER AND  
SANITARY SEWER

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF  
GRAPEVINE, TEXAS, REVISING THE ADOPTED CAPITAL  
IMPROVEMENTS BUDGET FOR THE FISCAL YEAR  
ENDING IN 2015, PROVIDING FOR THE TRANSFER OF  
THE FUNDS; DECLARING AN EMERGENCY AND  
PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council of the City of Grapevine, Texas desires to maintain its water and wastewater infrastructure with regular maintenance, repairs and updates as necessary; and

WHEREAS, funding for the construction of the 2015 Water and Sanitary Sewer Improvement Project is not currently included in the FY 2014 -2015 Capital Improvements Plan Budget; and

WHEREAS, maintenance, repairs and updates to the City's water and sanitary sewer systems is necessary to insure continued optimum operation of these systems.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS:

Section 1. That all matters stated in the preamble of this ordinance are true and correct and are hereby incorporated into the body of this ordinance as if copied in their entirety.

Section 2. That the City Council hereby authorizes an amount of \$1,838,562.60 be appropriated from the Water and Sanitary Sewer Released Impact Fees and the 2015 Utility Bonds to the FY 2014-2015 Capital Improvements Plan budget for the construction of the 2015 Water and Sanitary Sewer Improvement Project.

Section 3. That the terms and provisions of this ordinance shall be deemed to be severable, and that if the validity of any section, subsection, word, sentence or phrase shall be held to be invalid, it shall not affect the remaining part of this ordinance.

Section 4. That the fact that the present ordinances and regulations of the City of Grapevine, Texas are inadequate to properly safeguard the health, safety, morals, peace and general welfare of the inhabitants of the City of Grapevine, Texas, creates an emergency for the immediate preservation of the public business, property, health, safety, and general welfare which requires that this ordinance shall take effect immediately from and after its passage and it is accordingly so ordained.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS on this the 7th day of July, 2015.

APPROVED:

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ATTEST:

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APPROVED AS TO FORM:

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STATE OF TEXAS  
COUNTY OF TARRANT  
CITY OF GRAPEVINE

The City Council and the Planning and Zoning Commission of the City of Grapevine, Texas met in Regular Joint Session on this the 16<sup>th</sup> day of June, 2015 in the City Council Chambers, Second Floor, 200 South Main Street, with the following members of the City Council present:

William D. Tate	Mayor
C. Shane Wilbanks	Mayor Pro Tem
Sharron Spencer	Council Member
Darlene Freed	Council Member
Mike Lease	Council Member
Chris Coy	Council Member
Duff O'Dell	Council Member

constituting a quorum with, with the following members of the Planning and Zoning Commission:

Larry Oliver	Chairman
Herbert Fry	Vice Chairman
Betty "BJ" Wilson	Member
Monica Hotelling	Member
Jim Fechter	Member
Theresa Mason	Alternate

constituting a quorum with Commission Members Gary Martin, Beth Tiggelaar and Dennis Luers absent, with the following members of the City Staff:

Bruno Rumbelow	City Manager
John F. Boyle, Jr.	City Attorney
Tara Brooks	City Secretary

CALL TO ORDER

Mayor Tate called the meeting to order at 6:30 p.m.

Item 1. Executive Session

Mayor Tate announced the City Council would recess to the City Council Conference Room to conduct a closed session regarding:

- A. Real property relative to deliberation or the exchange, lease, sale or value of City owned properties (portion of 185 acres owned by City) pursuant to Section 551.072, Texas Government Code.

- B. Conference with City Manager and Staff to discuss and deliberate commercial and financial information received from business prospects the City seeks to have locate, stay, or expand in the City; deliberate the offer of a financial or other incentive; with which businesses the City is conducting economic development negotiations pursuant to Section 551.087, Texas Government Code.

The City Council recessed to the City Council Conference Room and began the closed session at 6:33 p.m. The closed session ended at 6:54 p.m.

Upon reconvening in open session in the Council Chambers, Mayor Tate asked if there was any action necessary relative to the closed session. City Manager Bruno Rumbelow stated there was no action necessary under Section 551.071, and Section 551.087, Texas Government Code.

NOTE: City Council continued with the Regular Meeting in open session in the City Council Chambers.

#### WORKSHOP

##### Item 2. Public Works to present traffic signal update.

Public Works Director Stan Laster introduced Jody Short with Lee Engineering who described the City's current traffic signal system and recommended changes that could be made in the future. Public Works Director Laster stated Public Works is creating a signal maintenance and replacement schedule.

No action was taken by Council.

##### Item 3. Discussion of City Council summer meeting schedule.

City Manager Rumbelow listed the special meetings that Council would have throughout the summer including a workshop on June 23, major budget issues discussion at the regular July 7 meeting, Board and Commission interviews (date to be determined) and a budget workshop on August 6.

No action was taken by Council.

##### Item 3A. Update on Grapevine Lake flooding.

Emergency Management Coordinator Liz Dimmick updated Council on the Grapevine Lake flooding. The City of Grapevine received the Disaster Declaration from Tarrant County on June 11, 2015 which means the City is now eligible for public assistance. Ms. Dimmick also updated Council on the possible effects of Tropical Storm Bill.

No action was taken by Council.

CALL TO ORDER

Mayor Tate called the meeting to order at 7:39 p.m. in the City Council Chambers.

INVOCATION

Commissioner Herbert Fry delivered the Invocation and led the Pledge of Allegiance.

JOINT PUBLIC HEARINGS

Item 4. Zoning Application **Z15-02** and Conditional Use Permit **CU15-11** (N2 BBQ)

Assistant Development Services Director Ron Stombaugh stated the applicant has requested to withdraw the applications.

Motion was made to withdraw Zoning Application Z15-02 and Conditional Use Permit CU15-11.

Motion: Wilson  
Second: Hotelling  
Ayes: Oliver, Fry, Wilson, Hotelling, Fechter and Mason  
Nays: None  
Approved: 6-0

Motion was made to withdraw Zoning Application Z15-02 and Conditional Use Permit CU15-11.

Motion: Coy  
Second: Freed  
Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell  
Nays: None  
Approved: 7-0

Item 5. Conditional Use Permit **CU15-13** (White Line Storage)

Assistant Development Services Director Stombaugh stated the applicant has requested to withdraw this application.

Motion was made to withdraw Conditional Use Permit CU15-13 without prejudice.

Motion: Wilson  
Second: Hotelling  
Ayes: Oliver, Fry, Wilson, Hotelling, Fechter and Mason  
Nays: None  
Approved: 6-0

Motion was made to withdraw Conditional Use Permit CU15-13 without prejudice.



Motion: Freed  
Second: Wilbanks  
Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell  
Nays: None  
Approved: 7-0

Item 6. Conditional Use Permit **CU15-18** (Wine Fusion Winery)

Mayor Tate declared the public hearing open.

Assistant Development Services Director Stombaugh stated Conditional Use Permit CU15-18 is located at 603 South Main Street #304. The application was submitted by Nicholas Kaufman for a conditional use permit to allow the possession, storage, retail sale and on- and off-premise consumption of alcoholic beverages (wine only) and outdoor speakers in conjunction with a winery.

Applicant Nicolas Kaufman described his business and said he was removing the request for an outside speaker.

No one spoke during the public hearing and there was one letter of support copied to the Commission and Council.

Motion was made to close the public hearing.

Motion: Hotelling  
Second: Fry  
Ayes: Oliver, Fry, Wilson, Hotelling, Fechter and Mason  
Nays: None  
Approved: 6-0

Motion was made to close the public hearing.

Motion: Lease  
Second: Coy  
Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell  
Nays: None  
Approved: 7-0

Item 7. Conditional Use Permit **CU15-19** (5 Star Subaru) and a **final plat** of Lot 1, Block 1, 5 Star Subaru Addition

Mayor Tate declared the public hearing open.

Assistant Development Services Director Stombaugh stated the subject property is located at 2651 William D. Tate Avenue and is zoned "PID" Planned Industrial Development and was submitted by Dynamic Engineering Consultants for a conditional use permit to allow for a pylon sign in conjunction with an automotive dealership with

new and used car sales and service. The applicant is also requesting to replat Lot 1, Block 1, Frank Parra Autoplex Addition and 4.062 acres of unplatted land.

Applicant Joshua Edge with Dynamic Engineering presented this request.

No one spoke during the public hearing and there was no written correspondence to report.

Motion was made to close the public hearing.

Motion: Wilson  
Second: Fry  
Ayes: Oliver, Fry, Wilson, Hotelling, Fechter and Mason  
Nays: None  
Approved: 6-0

Motion was made to close the public hearing.

Motion: Wilbanks  
Second: Lease  
Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell  
Nays: None  
Approved: 7-0

Item 8. Historic Landmark Subdistrict HL15-01 (526 East Worth Street)

Mayor Tate declared the public hearing open.

Assistant Development Services Director Stombaugh stated the application was submitted by Neal Cooper requesting designation of property located at 526 East Worth Street as a historical landmark subdistrict.

No one spoke during the public hearing and there was one letter of support reported.

Motion was made to close the public hearing.

Motion: Fechter  
Second: Wilson  
Ayes: Oliver, Fry, Wilson, Hotelling, Fechter and Mason  
Nays: None  
Approved: 6-0

Motion was made to close the public hearing.

Motion: Freed  
Second: O'Dell  
Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell  
Nays: None  
Approved: 7-0

Item 9. Historic Landmark Subdistrict HL15-02 (412 East Franklin Street)

Mayor Tate declared the public hearing open.

Assistant Development Services Director Stombaugh stated the application was submitted by Howard Gardner requesting designation of property located at 412 East Franklin Street as a historical landmark subdistrict.

No one spoke during the public hearing and there was one letter of support.

Motion was made to close the public hearing.

Motion: Fechter  
Second: Fry  
Ayes: Oliver, Fry, Wilson, Hotelling, Fechter and Mason  
Nays: None  
Approved: 6-0

Motion was made to close the public hearing.

Motion: O'Dell  
Second: Coy  
Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell  
Nays: None  
Approved: 7-0

RECESS AND RECONVENE

Mayor Tate announced the Planning and Zoning Commission would recess to the Planning and Zoning Conference Room to consider published business.

The City Council remained in session in the Council Chambers to consider published business.

Item 10. Citizen Comments

No one wished to speak.

Item 11. Greg and Tani Long to present a gift from Mayor of West Lothian to Mayor Tate.

Greg Long described the Sister Cities' trip to West Lothian, Scotland that took place on May 26, 2015 – June 2, 2015 and presented the Mayor a painting of Shale Hills in West Lothian.

Item 12. Grapevine Chamber of Commerce to present annual report.

Paul Slechta, 2015 Chairman of the Board of Directors from the Grapevine Chamber of Commerce, updated Council on Chamber activities over the past year, including the Grapevine Job Fair, Young Entrepreneurs Academy, Parade of Lights, community partner projects, legislative advocacy, Leadership Grapevine, and economic development.

Item 13. Chief Financial Officer to present Monthly Financial update.

Chief Financial Officer Greg Jordan presented the monthly financial update to Council. Mr. Jordan highlighted the effects of the flood on the budget.

Mayor Tate moved Item 14 to follow the consent agenda.

CONSENT AGENDA

Consent items are deemed to need little Council deliberation and will be acted upon as one business item. Any member of the City Council or member of the audience may request that an item be withdrawn from the consent agenda and placed before the City Council for full discussion. Mayor Pro Tem Wilbanks requested item 18 be removed from consent. It was heard after the other consent items.

Approval of the consent agenda authorizes the City Manager, or his designee, to implement each item in accordance with Staff recommendations.

Item 15. Consider renewal of annual contracts for safety supplies with U & D Enterprises, Inc. and WW Grainger Industrial Supply.

Chief Financial Officer Jordan recommended approval of the renewal of annual contracts for safety supplies. The purpose of this contract is to establish fixed annual pricing for various types of safety products and supplies to be purchased on an as-needed basis and stocked in the warehouse. The estimated annual amount of these purchases is \$22,000.

Motion was made to approve the consent agenda items.

Motion: Coy

Second: Freed

Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy, and O'Dell

Nays: None

Approved: 7-0

Item 16. Consider a resolution authorizing the purchase of advertising services from Community Impact Newspaper.

Parks and Recreation Director Kevin Mitchell recommended approval of the purchasing of advertising services. The activities guide will be mailed out as an insert in the Community Impact Newspaper for a total amount not to exceed \$21,501.92.

Motion was made to approve the consent agenda items.

Motion: Coy

Second: Freed

Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy, and O'Dell

Nays: None

Approved: 7-0

RESOLUTION NO. 2015-037

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS, AUTHORIZING THE CITY MANAGER OR THE CITY MANAGER'S DESIGNEE TO PURCHASE ADVERTISING SERVICES AND PROVIDING AN EFFECTIVE DATE

Item 17. Consider renewal of an annual personal services contract with Regent Services for janitorial services.

Public Works Director Laster recommended approval of the annual personal services contract to establish fixed annual pricing for janitorial services to be performed at various City facilities in an estimated annual amount of \$302,000.

Motion was made to approve the consent agenda items.

Motion: Coy

Second: Freed

Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy, and O'Dell

Nays: None

Approved: 7-0

Item 19. Consider the minutes of the June 2, 2015 City Council meeting as published.

City Secretary Tara Brooks recommended approval of the minutes from the June 2, 2015 City Council meeting.

Motion was made to approve the consent agenda items.

Motion: Coy

Second: Freed

Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy, and O'Dell

Nays: None

Approved: 7-0

Item 18. Consider an ordinance amending the Grapevine Code of Ordinances Chapter 23 Traffic, Section 23-26, Speed Limits – Schedule for certain public streets and ways, establishing a 40 mph speed limit on northbound Kimball Road between Shady Lane (South City Limit) and Dove Road.

Public Works Director Laster recommended approval. Mr. Laster stated the City of Southlake approved the speed limit change on first reading at their June 2, 2015 meeting and are considering it for second reading on June 16, 2015.

Motion was made to approve the consent agenda items.

Motion: Wilbanks

Second: Freed

Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy, and O'Dell

Nays: None

Approved: 7-0

ORDINANCE NO. 2015-027

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS AMENDING THE GRAPEVINE CODE OF ORDINANCES, CHAPTER 23 TRAFFIC, SECTION 23-26, SPEED LIMITS - SCHEDULE FOR CERTAIN PUBLIC STREETS AND WAYS, ALTERING THE PRIMA FACIE SPEED LIMITS ESTABLISHED FOR VEHICLES UNDER THE PROVISIONS OF SECTIONS 167 AND 169 OF ARTICLE XIX, R.C.S. 6701 d, UNIFORM ACT REGULATING TRAFFIC ON HIGHWAYS, UPON THE BASIS OF AN ENGINEERING AND TRAFFIC INVESTIGATION UPON CERTAIN STREETS AND HIGHWAYS, OR PARTS THEREOF, WITHIN THE CORPORATE LIMITS OF THE CITY OF GRAPEVINE AS SET OUT IN THE ORDINANCE; AUTHORIZING THE ERECTION OF TRAFFIC REGULATION SIGNS; REPEALING CONFLICTING ORDINANCES; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF FIVE HUNDRED DOLLARS (\$500.00); PROVIDING A SEVERABILITY CLAUSE; DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE

Item 14. Consider a resolution authorizing annual contracts for mosquito control ground spraying services to a primary vendor Vector Disease Control International, LLC and a secondary vendor Municipal Mosquito through an Interlocal Cooperative Agreement with Tarrant County, Texas.

Public Works Director Laster presented this item to Council.

The purpose of this contract is to establish fixed pricing for mosquito control ground spraying services for the City which includes services to control disease carrying mosquitoes and spraying of adulticides to address the spread of the West Nile Virus through mosquitoes on an as-needed basis.



Motion was made to approve the resolution for mosquito control ground spraying services.

Motion: Coy  
Second: Lease  
Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell  
Nays: None  
Approved: 7-0

RESOLUTION NO. 2015-036

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS, AUTHORIZING THE CITY MANAGER OR THE CITY MANAGER'S DESIGNEE TO CONTRACT FOR MOSQUITO CONTROL GROUND SPRAYING SERVICES THROUGH AN ESTABLISHED INTERLOCAL PARTICIPATION AGREEMENT AND PROVIDING AN EFFECTIVE DATE

PLANNING AND ZONING COMMISSION RECOMMENDATIONS

Item 20. Conditional Use Permit CU15-18 (Wine Fusion Winery)

Assistant Development Services Director Stombaugh reported the Planning and Zoning Commission voted 6-0 to approve the conditional use permit, but removing the outside speaker.

Motion was made to approve Conditional Use Permit CU15-18 removing the outside speakers.

Motion: Freed  
Second: Lease  
Ayes: Freed, Lease, Coy and O'Dell  
Nays: Tate, Wilbanks, Spencer  
Approved: 4-3

ORDINANCE NO. 2015-028

AN ORDINANCE ISSUING A CONDITIONAL USE PERMIT IN ACCORDANCE WITH SECTION 48 OF ORDINANCE NO. 82-73, THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF GRAPEVINE, TEXAS, SAME BEING ALSO KNOWN AS APPENDIX "D" OF THE CITY CODE, BY GRANTING CONDITIONAL USE PERMIT CU15-18 TO ALLOW FOR A WINERY WITH ON-AND OFF-PREMISE CONSUMPTION OF ALCOHOLIC BEVERAGES (WINE ONLY) IN A DISTRICT ZONED "CBD"

CENTRAL BUSINESS DISTRICT ALL IN ACCORDANCE WITH A SITE PLAN APPROVED PURSUANT TO SECTION 47 OF ORDINANCE NO. 82-73 AND ALL OTHER CONDITIONS, RESTRICTIONS AND SAFEGUARDS IMPOSED HEREIN; CORRECTING THE OFFICIAL ZONING MAP; PRESERVING ALL OTHER PORTIONS OF THE ZONING ORDINANCE; PROVIDING A CLAUSE RELATING TO SEVERABILITY; DETERMINING THAT THE PUBLIC INTERESTS, MORALS AND GENERAL WELFARE DEMAND THE ISSUANCE OF THIS CONDITIONAL USE PERMIT; PROVIDING A PENALTY NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00); DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE

Item 21. Conditional Use Permit CU15-19 (5 Star Subaru)

Assistant Development Services Director Stombaugh reported the Planning and Zoning Commission voted 6-0 to approve the conditional use permit.

Motion was made to approve Conditional Use Permit CU15-19.

Motion: Spencer

Second: Freed

Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell

Nays: None

Approved: 7-0

ORDINANCE NO. 2015-029

AN ORDINANCE ISSUING A CONDITIONAL USE PERMIT IN ACCORDANCE WITH SECTION 48 OF ORDINANCE NO. 82-73, THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF GRAPEVINE, TEXAS, SAME BEING ALSO KNOWN AS APPENDIX "D" OF THE CITY CODE, BY GRANTING CONDITIONAL USE PERMIT CU15-19 TO ALLOW FOR A PYLON SIGN IN CONJUNCTION WITH AN AUTOMOTIVE DEALERSHIP WITH SALES AND SERVICE OF NEW AND USED VEHICLES IN A DISTRICT ZONED "PID" PLANNED INDUSTRIAL DEVELOPMENT DISTRICT ALL IN ACCORDANCE WITH A SITE PLAN APPROVED PURSUANT TO SECTION 47 OF ORDINANCE NO. 82-73 AND ALL OTHER CONDITIONS, RESTRICTIONS AND SAFEGUARDS IMPOSED HEREIN; CORRECTING THE OFFICIAL ZONING MAP; PRESERVING ALL OTHER PORTIONS OF THE ZONING ORDINANCE; PROVIDING A

CLAUSE RELATING TO SEVERABILITY; DETERMINING THAT THE PUBLIC INTERESTS, MORALS AND GENERAL WELFARE DEMAND THE ISSUANCE OF THIS CONDITIONAL USE PERMIT; PROVIDING A PENALTY NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00); DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE

Item 22. Final Plat of Lot 1, Block 1, 5 Star Subaru

Assistant Development Services Director Stombaugh reported the Planning and Zoning Commission voted 6-0 to approve the final plat.

Motion was made to approve the Statement of Findings and the Final Plat of Lot 1, Block 1, 5 Star Subaru Addition.

Motion: Coy  
Second: O'Dell  
Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell  
Nays: None  
Approved: 7-0

Item 23. Historic Landmark Subdistrict HL15-01 (526 East Worth Street)

Assistant Development Services Director Stombaugh reported the Planning and Zoning Commission voted 6-0 to approve the historic landmark subdistrict.

Motion was made to approve Historic Landmark Subdistrict HL15-01.

Motion: Wilbanks  
Second: Freed  
Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell  
Nays: None  
Approved: 7-0

ORDINANCE NO. 2015-030

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS, DESIGNATING A HISTORIC LANDMARK SUBDISTRICT HL15-01 IN ACCORDANCE WITH SECTION 39 OF ORDINANCE NO. 82-73 (APPENDIX "D" OF THE CODE OF ORDINANCES), DESIGNATING THE AREA LEGALLY DESCRIBED AS LOT 7, BLOCK 110, COLLEGE HEIGHTS OF THE ARCHIBALD LEONARD SURVEY AND MORE SPECIFICALLY DESCRIBED HEREIN, IN A DISTRICT ZONED "R-7.5" SINGLE FAMILY DISTRICT REGULATIONS; PROVIDING FOR THE ADOPTION OF THE 526 EAST WORTH STREET

HISTORIC DISTRICT PRESERVATION CRITERIA;  
CORRECTING THE OFFICIAL ZONING MAP;  
PRESERVING ALL OTHER PORTIONS OF THE ZONING  
ORDINANCE; PROVIDING A CLAUSE RELATING TO  
SEVERABILITY; DETERMINING THAT THE PUBLIC  
INTERESTS, MORALS AND GENERAL WELFARE  
DEMAND A ZONING CHANGE AND AMENDMENT  
THEREIN MADE; PROVIDING A PENALTY OF FINE NOT  
TO EXCEED THE SUM OF TWO THOUSAND;  
DECLARING AN EMERGENCY AND PROVIDING AN  
EFFECTIVE DATE

Item 24. Historic Landmark Subdistrict HL15-02 (412 East Franklin Street)

Assistant Development Services Director Stombaugh reported the Planning and Zoning Commission voted 6-0 to approve the historic landmark subdistrict.

Motion was made to approve Historic Landmark Subdistrict HL15-02.

Motion: Lease

Second: Spencer

Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell

Nays: None

Approved: 7-0

ORDINANCE NO. 2015-031

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS, DESIGNATING A HISTORIC LANDMARK SUBDISTRICT HL15-02 IN ACCORDANCE WITH SECTION 39 OF ORDINANCE NO. 82-73 (APPENDIX "D" OF THE CODE OF ORDINANCES), DESIGNATING THE AREA LEGALLY DESCRIBED AS LOT W75' E80' 4, BLOCK 30, CITY OF GRAPEVINE OF THE ARCHIBALD LEONARD SURVEY AND MORE SPECIFICALLY DESCRIBED HEREIN, IN A DISTRICT ZONED "R-7.5" SINGLE FAMILY DISTRICT REGULATIONS; PROVIDING FOR THE ADOPTION OF THE CHILDS-POWERS-GARDNER HOUSE HISTORIC DISTRICT PRESERVATION CRITERIA; CORRECTING THE OFFICIAL ZONING MAP; PRESERVING ALL OTHER PORTIONS OF THE ZONING ORDINANCE; PROVIDING A CLAUSE RELATING TO SEVERABILITY; DETERMINING THAT THE PUBLIC INTERESTS, MORALS AND GENERAL WELFARE DEMAND A ZONING CHANGE AND AMENDMENT THEREIN MADE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO

THOUSAND DOLLARS (\$2,000.00); DECLARING AN  
EMERGENCY AND PROVIDING AN EFFECTIVE DATE

ADJOURNMENT

Motion was made to adjourn the meeting at 8:46 p.m.

Motion: Wilbanks

Second: Coy

Ayes: Tate, Wilbanks, Spencer, Freed, Lease, Coy and O'Dell

Nays: None

Approved: 7-0

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE,  
TEXAS on this the 7<sup>th</sup> day of July, 2015.

APPROVED:

\_\_\_\_\_  
William D. Tate  
Mayor



ATTEST:

\_\_\_\_\_  
Tara Brooks  
City Secretary

STATE OF TEXAS  
COUNTY OF TARRANT  
CITY OF GRAPEVINE

The City Council of the City of Grapevine, Texas met in Workshop on this the 23rd day of June, 2015 in the Planning and Zoning Commission Conference Room, Second Floor, 200 South Main Street, with the following members present to-wit:

William D. Tate	Mayor
C. Shane Wilbanks	Mayor Pro Tem
Sharron Spencer	Council Member
Darlene Freed	Council Member
Mike Lease	Council Member
Chris Coy	Council Member
Duff O'Dell	Council Member

constituting a quorum, with the following members of the City Staff:

Bruno Rumbelow	City Manager
Jennifer Hibbs	Assistant City Manager
Tara Brooks	City Secretary

CALL TO ORDER

Mayor Tate called the workshop to order at 6:02 p.m.

ITEM 1. COMMUTER RAIL DISCUSSION

City Manager Bruno Rumbelow introduced Craig Melde and John Allender of ArchiTexas, Tim Baldwin with Rocky Mountain West Transit and Urban Planning lead the discussion of the commuter rail station. Richie Thompson with the Fort Worth Transportation Authority answered Council's questions related to The T.

Council discussed possible interior uses, the parking needs (specifically a parking garage), different architectural features of the outside of the building and the plaza in the front.

There was no formal action taken by the City Council.

ADJOURNMENT

Mayor Tate adjourned the meeting at 7:29 p.m.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS on this the 7th day of July 2015.



APPROVED:

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William D. Tate  
Mayor

ATTEST:

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Tara Brooks  
City Secretary

STATE OF TEXAS  
COUNTY OF TARRANT  
CITY OF GRAPEVINE

The City Council of the City of Grapevine, Texas met in a Special Meeting on this the 29<sup>th</sup> day of June, 2015 in the City Council Conference Room, Second Floor, 200 South Main Street, with the following members present to-wit:

William D. Tate	Mayor
C. Shane Wilbanks	Mayor Pro Tem
Sharron Spencer	Council Member
Mike Lease	Council Member
Darlene Freed	Council Member
Chris Coy	Council Member
Duff O'Dell	Council Member

constituting a quorum with the following members of the City Staff:

Jennifer Hibbs	Assistant City Manager
Tara Brooks	City Secretary

CALL TO ORDER

Mayor Tate called the workshop to order at 6:00 p.m.

Item 1. City Council to conduct board and commission interviews for new applicants.

Council interviewed ten board and commission applicants. These applicants do not currently serve on any boards.

Council discussed the applicants and who to appoint to each of the boards and commissions. The appointments will be made at the July 7, 2015 regular City Council meeting.

There was no action taken by the City Council.

ADJOURNMENT

Mayor Tate adjourned the meeting at 8:25 p.m.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS on this the 7th day of July, 2015.

APPROVED:

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William D. Tate  
Mayor

ATTEST:

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Tara Brooks  
City Secretary